

Medimaging Integrated Solution Inc.

2024 Annual General Shareholders' Meeting Minutes

Method of Meeting : Physical

Time : 09:00 a.m., June 21, 2024

Place : 2F, No.1, Industry E. Rd. II, Hsinchu Science Park, Hsinchu City (Newton Hall, HSPLINK)

The Number of Shares of Attendance :

Attending shareholders and proxy represented 19,734,486 shares (including 18,067,895 shares which attended through electronic voting) accounting for 57.06% of 34,584,155 shares, the Company's total outstanding shares.

Directors Present : Chairman : CHENG, CHU-MING

Director : CHEN, CHIN-YI, LEE, YU-TSUNG

Independent director : CHIU, CHIN-TAIN (Chairman of the Audit Committee),
CHANG, MING-JYE, WANG, PAO-CHANG, CHIANG, HUI-HUA

Attendee : LI, TIEN-YI, CPA

Chairman : CHENG, CHU-MING

Recorder : KO, HUI-YU

1. The number of shareholders' representatives present has reached the statutory requirement, and the chairman called the meeting to order.

2. Chairman's Remarks: Omitted.

3. Report Items

(1). 2023 Business Report

Explanation: Please refer to attachment 1 for 2023 Business Report.

(2). Audit Committee's Review Report on the 2023 Financial Statements

Explanation: Please refer to attachment 2 for the Audit Committee's Review Report.

(3). Report on 2023 employees' compensation and directors' remuneration

Explanation:

I. According to Article 20 of the Articles of Association of the Company, "If the Company makes profits in the year, it shall appropriate 10% to 25% for employees' compensation and no more than 3% for directors' remuneration".

II. In the year of 2023, the Company proposes to allocate 10% according to Article 20 of the Articles of Association of the Company, which is NTD 10,388,174, as employees' compensation, and the recipients of employees' compensation are limited to full-time employees of the Company. In addition, 0.5% will be allocated as directors' remuneration, which is NTD 519,409. According to the "Regulations Governing the

Remuneration of Directors and Managers," the remuneration for directors will be calculated and allocated based on their degree of involvement in the company's operations and their contribution value. The remuneration has been reviewed and approved by the Compensation Committee and the Board of Directors, and all of the above-mentioned compensation and remuneration will be distributed in cash.

III. The above distributed amount is not different from the estimated amount of recognized expenses for the year 2023.

(4). Report on Issuance and Execution of 1st Domestic Unsecured Convertible Bond of the Company

Explanation:

I. The Company's 1st Domestic Unsecured Convertible Bond was approved for effectiveness by the Financial Supervisory Commission on August 1st, 2023, under Letter No. 11203493261. Additionally, approval was granted by the TPEX under Letter No. 11200093402 on August 24th, 2023. Trading on the OTC market commenced on August 25th, 2023.

II. As of April 23rd, 2024, the issuance and conversion status of the convertible bonds are as follows:

Bond Name	MiiS 1st Domestic Unsecured Convertible bond Short Name : 晉弘一 ; Bond Code : 67961
Reason for issuance	Enhance working capital
Total amount of Issuance	Actual Issue Amount NT\$ 200,000 thousand. The actual total amount raised is NT\$208,319 thousand.
Par Value	NT\$ 100,000
Coupon Rate	0% °
Duration	2023/08/25~ 2026/08/25
Conversion Price	Conversion Price at Issuance : NT\$ 123 Latest Conversion Price : NT\$ 121.9
Conversion Status	As of April 23rd, 2024, there has been no conversion by bondholders.

4. Proposed Resolutions

(1)(Proposed by the Board)

Proposal: 2023 Business Report and Financial Statements

Explanation:

I . The Individual and Consolidated Financial Statements of the Company, including the balance sheet, income statement, statement of changes in shareholders' equity, and statement of cash flows, have been audited and issued an unqualified audit

report by independent auditors, Ms. Tsai-Yen Chiang and Ms. Chien-Yu Liu, of PwC.

- II. The above Financial Statements and Business Report have been audited and issued a review report by the Audit Committee.
- III. Please refer to Attachment 1 for the Business Report and Attachment 3 for the Financial Statements.

Resolution: It was resolved that the above proposal be approved as proposed. The result is as follows:

Shares represented at the time of voting	Votes in favor	Votes against:	Votes invalid & abstained	% of the total represented share present
19,734,486	19,577,937	2,147	154,402	99.20%
Including electronic voting	18,058,996	2,147	6,752	

(2)(Proposed by the Board)

Proposal: 2023 earnings distribution

Explanation:

- I. The Company's statement of 2023 earnings distribution has been audited by the Audit Committee and determined by the Board of Directors on March 13th, 2024. Please refer to Attachment 4.
- II. The amount of cash dividends to be distributed, which is NT\$ 62,251,479 (NT\$ 1.8 per share), is calculated according to the proportion and rounded up by the unit of NT\$1 (less than NT\$1 is excluded), and the total amount of the distributive payments less than NT\$1 are included in other income.
- III. In the event the number of outstanding shares is subsequently affected by changes in the Company's capital, resulting in the necessity to revise the shareholder's payout ratio, the Chairman shall be authorized to conduct such revision at its full discretion.
- IV. After approved by the Shareholders' Meeting, the Chairman shall be authorized to determine the ex-dividend related matters.

Resolution: It was resolved that the above proposal be approved as proposed. The result is as follows:

Shares represented at the time of voting	Votes in favor	Votes against:	Votes invalid & abstained	% of the total represented share present
19,734,486	19,577,962	2,147	154,377	99.20%
Including electronic voting	18,059,021	2,147	6,727	

5. Discussion Items

(1)(Proposed by the Board)

Proposal: Amendments to “Procedures for Election of Directors”

Explanation: In accordance with the revised “Sample Template for XXX Co., Ltd.

Procedures for Election of Directors” announced by the competent authority, the Company proposes to revise certain articles of “Procedures for Election of Directors”. Please refer to Attachment 5 for the comparison table of the above amendments.

Resolution: It was resolved that the above proposal be approved as proposed. The result is as follows:

Shares represented at the time of voting	Votes in favor	Votes against:	Votes invalid & abstained	% of the total represented share present
19,734,486	19,571,822	2,167	160,497	99.17%
Including electronic voting	18,052,881	2,167	12,847	

6.Extempore Motions: None.

7.Adjournment: 09:17 a.m., June 21, 2024.

Note: No questions from shareholders for all iteams at this shareholders’ meeting.

Attachments 1

Medimaging Integrated Solution Inc.

2023 Business Report

1. 2023 Business Results

(1) Financial results

Unit : NT\$ thousands

	2023	2022	Increases (decreases)	Change %
Operating revenue	537,148	502,088	35,060	6.98%
Gross profit	307,761	254,388	53,373	20.98%
Net Operating Income	91,917	59,604	32,313	54.21%
Net profit before tax	92,981	87,412	5,569	6.37%
Net profit after tax	74,054	70,019	4,035	5.76%

(2) Budget implementation: The Company did not disclose its financial forecasts of the year of 2023, so it is not necessary to publicly disclose the implementation of the budget.

(3) Financial profitability

Item		2023	2022
Financial structure	Liability to asset ratio (%)	40.89%	22.97%
	Long-term asset to real estate, plant and equipment ratio (%)	375.59%	446.35%
Debt-paying capability	Current ratio (%)	566.47%	513.05%
	Quick ratio (%)	466.24%	373.84%
Profitability	Return on assets (%)	7.07%	9.14%
	Return on equity (%)	10.28%	12.35%
	Net income ratio (%)	13.79%	13.95%
	Basic earnings per share (NTD)	2.2	2.2

(4) Overview of R&D

Disposable endoscopes had a fruitful year in 2023, with our disposable cystoscope

obtaining Taiwan TFDA Class II Medical Device License and US FDA 510(k) clearance. Disposable cystoscope has exclusively been licensed sales rights to the international medical device giant, Boston Scientific, and will apply for additional country approvals according their sales strategy. The disposable bronchoscope has been submitted for US FDA 510(k) clearance.

Additionally, two products related to glaucoma monitoring and control are in progress. The smart handheld eye drop medication reminder device has completed product registration on the US FDA website, while the fully automatic tonometer has also obtained US FDA 510(k) clearance.

We anticipate maintaining an annual R&D expenditure of over 20% of our operating income in the future, continuously developing innovative digital medical devices.

2. 2024 Business Outlook

(1) Operating guideline

- (i) Continuously focusing on three major markets: telemedicine, digital healthcare, and minimally invasive diagnostics, we employ a dual-engine model with our own brand and CDMO. This enables us to continuously develop smart medical equipment and provide innovative healthcare solutions.
- (ii) In addition to independently developing products and markets, we also expand our service offerings through acquisitions to broaden our operational scale and strengthen competitiveness.
- (iii) Expanding sales markets beyond the United States to mitigate the risk of over-concentration in a single market.

(2) Sales Forecast

The Company will consider past experiences, current operational status, product sales plans, and factors such as future business environment and market conditions in setting internal operational goals.

(3) Significant Production and Sales Policies

- (i) Enhancing supply chain management to shorten material lead times, improve raw material quality, and reduce procurement costs, thereby stabilizing supply-demand relationships to promote production efficiency.
- (ii) Gathering market demands and feedback from marketing exhibition activities,

distributors, and CDMO clients to meet market needs and trends.

- (iii) Continuously cultivating our brand and expanding distribution channels, while collaborating with world-class international giants on research and innovation.

3. Future Development Strategies

The Company engages in the design, development, and production of digital medical imaging diagnostic devices. We collaborate with internationally renowned brands through the CDMO model or sell products under our own brand, horus SCOPE, through medical channels. We focus on pioneering emerging markets such as telemedicine, digital healthcare, and minimally invasive diagnostics. We concentrate on the application of core technologies, combining hardware modules with AI software to provide innovative integrated medical solutions.

4. External Competition, Regulatory Environment, and Overall Business Environment Impact

The global trends for telemedicine, digital healthcare, and minimally invasive treatment are clear. The support of regulations and the inclusion of insurance payments in various countries have gradually formed the entire market mechanism. However, medical institutions' budgets are generally affected by the financial subsidies of governments or crowding out effect of budget due to inflation. As a result, short-term demand may be subject to fluctuations, but long-term demand should remain unaffected.

Despite the global uncertainties around the world, the company will remain its entrepreneurship, continuing to focus on developing advanced smart medical equipment and solutions to enhance the company's R & D capabilities. We will collaborate with customers and suppliers to create more market opportunities, to generate higher shareholder value as a reward of shareholders.

CHENG, CHU-MING
Chairman

CHENG, CHU-MING
President

HUANG, SHIH-TING
Chief Accounting Officer

Attachments 2

Audit Committee's review report

The Board of Directors has prepared the Company's 2023 Business Report, Financial Statements, and proposal of distribution of 2023 earnings. The CPA firm of PwC was retained to audit MiiS 's Financial Statements and has issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and proposal of distribution of 2023 earnings have been reviewed and determined to be correct and accurate by the Audit Committee members of Medimaging Integrated Solution Inc. According to relevant requirements of the Securities and Exchange Act and the Company Law, we hereby submit this report.

Medimaging Integrated Solution Inc.

Chairman of the Audit Committee: CHIU, CHIN-TAIN

March 13, 2024

Attachments 3

Independent Auditors' Report and 2023 Consolidated Financial Statements

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

Independent Auditors' Report

(2024)Tsai-Sheng-Pao-Tzu No. 23004660

To the Board of Directors and Shareholders of Medimaging Integrated Solution, Inc.

Opinion

We have audited the accompanying consolidated financial statements of Medimaging Integrated Solution, Inc. and its subsidiaries (hereafter referred to as the MiiS Group), which comprise the consolidated balance sheet as of December 31, 2023, and December 31, 2022, and the consolidated statements of comprehensive income, consolidated statements of changes in equity, and consolidated statements of cash flows for the periods from January 1, 2023, to December 31, 2023, and from January 1, 2022, to December 31, 2022, as well as the notes accompanying the consolidated financial statements (including a summary of significant accounting policies).

In our opinion, based on our audits and the reports of other auditors, the accompanying consolidated financial statements present fairly, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, and sufficiently express the consolidated financial status of MiiS Group as of December 31, 2023, and December 31, 2022, and the consolidated financial performance and consolidated cash flows for the periods from January 1, 2023, to December 31, 2023, and from January 1, 2022, to December 31, 2022.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. With our responsibility under such regulations and standards, we will further explain the responsibility of our audit of the consolidated financial statements. The independent certified public accountants (CPAs) of our accounting office have followed the Norm of Professional Ethics for Certified Public Accountants to remain impartial and

independent from MiiS Group and carry out other responsibilities required by the Rules. We believe that we have obtained sufficient and pertinent audit evidence, which provides the basis of our audit opinions.

Key audit item

The key audit item refers to the most crucial element of our professional judgement about the audit conducted for the 2023 consolidated financial statements of MiiS Group. The item has been reflected in our overall audit of the consolidated financial statements and in the process to form our audit opinions; however, we do not express our opinion on the item individually.

A description of the key audit item of the consolidated financial statements of MiiS Group in 2023 is hereby provided:

Inventory Evaluation

Explanation

MiiS Group mainly manufactures and sells digital medical imaging diagnostic equipment products. The inventories are measured at the lower of cost and net realizable value; for detailed inventory evaluation policies, please refer to note 4(14) in the consolidated financial statements; for the uncertainties in accounting estimates for inventory evaluation, please refer to note 5(2) in the consolidated financial statements. As of December 31, 2023, the total inventory amount and allowance for inventory evaluation losses were NT\$185,730,000 and NT\$37,457,000, respectively.

Due to the significant value of MiiS Group's inventory, and the fact that human judgment is often required to determine the net realizable value of inventory exceeding the specified inventory age, outdated inventory, and obsolete inventory, we list inventory evaluation as one of the most important audit matters.

Corresponding Audit Procedures

The audit procedures performed by us are as follows:

1. Evaluate the rationality and consistency of the policy for provision of allowance for inventory valuation losses.
2. Obtain evaluation data on the lower of inventory cost and net realizable value prepared by the management, and verify that the logic of report preparation is consistent with the policy.
3. Sample check individual inventory item numbers for evaluation and verification of the net realizable value.

4. Check the rationality of the provision of allowance for inventory valuation losses.

Other Matter – Parent Company Only Financial Reports

MiiS Group has published parent company only financial statements for 2023 and 2022, and our CPAs have issued audited reports with unqualified opinions, which are on file for reference.

Responsibility of the management and governance unit for the consolidated financial statements

The responsibility of the management is to prepare the adequately expressed consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), and the interpretations as well as the interpretation announcements recognized and announced effective by the Financial Supervisory Commission, and to maintain the internal controls required for the preparation of the consolidated financial statements so as to ensure that the consolidated financial statements do not have any material misstatement resulting from fraud or errors.

Unless the management plan is to liquidate MiiS Group or close the business or there are no other practical and feasible measures except liquidation or business closure, the responsibility of the management when preparing the consolidated financial statements includes assessment of MiiS Group's competence in continuing business operation, disclosure of relevant items, and adoption of the business continuation accounting basis.

The governance unit (including the Audit Committee) of MiiS Group is liable to supervise the financial reporting process.

Our responsibility for the audit of consolidated financial statements

The purpose of our audit of the consolidated financial statements is to obtain reasonable assurance as to whether any material misstatement resulting from fraud or errors exists in the overall consolidated financial statements, and issue the audit report. The reasonable assurance referred to here is a high degree of assurance. Nevertheless, the audit executed in accordance with the ROC auditing standards cannot guarantee that a material misstatement existing in the consolidated financial statements will be detected. A misstatement may result from fraud or errors. If the individual amount or compiled amount of a misstatement can be reasonably expected to impact the economic policy made by the user of the consolidated financial statements, it will be regarded as a material factor.

When conducting the audit in accordance with the generally accepted ROC auditing standards, we used our professional judgement and maintained a professional level of skepticism about dubious matters. We also executed the following tasks:

1. Recognize and assess the risk of a material misstatement resulting from fraud or errors in consolidated financial statements, design and take the appropriate coping strategy for the assessed risk, obtain sufficient and pertinent audit evidence as the basis of the audit opinions. Given that fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control, the risk of failure to detect a material misstatement resulting from fraud is higher than of one resulting from errors.
2. Understand the necessity of obtaining the internal control affiliated with the audit, so as to design the appropriate audit procedure for the current conditions. However, the purpose of this is not to express an opinion on the efficacy of MiiS Group's internal controls.
3. Assess the propriety of the accounting policy adopted by the management and the rationality of the accounting estimation and relevant disclosures.
4. Determine whether the business continuation accounting basis adopted by the management is proper, and whether the material dubious event or circumstance likely incurred from the competence of MiiS Group's continued business operation has any material uncertainty according to the acquired audit evidence. If we consider material uncertainty existent in such event or circumstance, we shall remind the user of the consolidated financial statements to pay attention to the relevant disclosures of the consolidated financial statements through our audit report, or modify the audit opinion when such disclosures are not applicable. Our conclusion is made according to the audit evidence acquired until the audit report day. However, the development of future events or circumstances is also likely to bring about MiiS Group' incompetence to continue its business operation.
5. Assess the overall representation, structure, and content of the consolidated financial statements (including the relevant notes) and check if the related transactions and events are adequately represented in the consolidated financial statements.
6. Acquire sufficient and pertinent audit evidence from the financial information of individual entities composing the MiiS Group so as to express opinions on the consolidated financial statements. We are responsible for the guidance, supervision, and execution of the Group's audit cases, and form the Group audit opinions.

The items communicated between us and the governance unit cover the planned audit scope and time and material audit findings (including the significant defects of internal control recognized in the audit process).

We also provide the governance unit with the fact that the personnel of our office who have been required for audit independence have complied with the independence statement stipulated in the Rules of Professional Ethics for Certified Public Accountants and communicated with the governance unit regarding any relations that are likely considered to impact CPA's independence and other items (including relevant protection measures).

According to the items communicated with the governance unit, we have determined the key item of our audit of MiiS Group's 2023 consolidated financial statements, and we have described the item in our audit report. Except for the specific items that are not allowed to be publicly disclosed as prescribed by laws and regulations or under a rare situation, we have decided not to communicate specific matters in our audit report because we have reason to believe that the negative influence of the communication is greater than the positive influence on the public interest.

PwC, Taiwan

Tsai-Yen Chiang

CPAs

Chien-Yu Liu

Financial Supervisory Commission

Approval File No.: Chin-Kuan-Cheng-Shen-Tzu No. 1060025097

Chin-Kuan-Cheng-Shen-Tzu No. 1090350620

March 13, 2024

Medimaging Integrated Solution Inc. and its Subsidiaries
Consolidated Balance Sheet
December 31, 2023 and 2022

In Thousands of New Taiwan Dollars

Assets	Note	Dec. 31, 2023		Dec. 31, 2022		
		Amount	%	Amount	%	
Current assets						
1100	Cash and cash equivalents	6 (1)	\$ 474,332	36	\$ 275,110	33
1110	Financial assets measured at fair value through profit or loss – current	6 (2)	197	-	-	-
1136	Financial assets measured at amortized cost – current	6 (4)	183,817	14	60,000	7
1140	Contract assets – current	6 (19)	16,298	1	11,868	1
1170	Accounts receivable – net	6 (5)	81,396	6	65,229	8
1180	Accounts receivable – net of the related parties	6 (5) & 7	-	-	40,709	5
1200	Other receivables		2,547	-	3,239	-
130X	Inventories	6 (6)	148,273	11	151,644	18
1410	Prepayments		15,308	1	18,261	2
1470	Other current assets		2,358	-	82	-
11XX	Total current assets		<u>924,526</u>	<u>69</u>	<u>626,142</u>	<u>74</u>
Non-current assets						
1517	Financial assets measured at fair value through other comprehensive income – non-current	6 (3)	250	-	250	-
1535	Financial assets measured at amortized cost – non-current	6 (4)&8	2,431	-	959	-
1600	Property, plant, and equipment	6 (7)&8	313,483	23	161,166	19
1755	Right-of-use assets	6 (8)	41,887	3	21,443	3
1780	Intangible assets	6 (9)	16,957	1	12,137	1
1840	Deferred income tax assets	6 (26)	10,471	1	6,511	1
1915	Prepayments for business facilities	6 (28)	19,105	2	7,315	1
1990	Other non-current assets – other		11,516	1	5,490	1
15XX	Total non-current assets		<u>416,100</u>	<u>31</u>	<u>215,271</u>	<u>26</u>
1XXX	Total assets		<u>\$ 1,340,626</u>	<u>100</u>	<u>\$ 841,413</u>	<u>100</u>

(Continued to next page)

Medimaging Integrated Solution Inc. and its Subsidiaries
Consolidated Balance Sheet
December 31, 2023 and 2022

In Thousands of New Taiwan Dollars

Liabilities and Equity	Note	Dec. 31, 2023		Dec. 31, 2022		
		Amount	%	Amount	%	
Current liabilities						
2130	Contract liabilities—current	6 (19)	\$ 50,263	4	\$ 756	-
2170	Accounts payable		10,261	1	28,331	4
2200	Other payables	6 (10)	56,079	4	62,154	8
2230	Current tax liabilities		18,738	2	7,111	1
2250	Provisions—current	6 (15)	3,951	-	2,333	-
2280	Lease liabilities—current		3,580	-	2,541	-
2320	Long-term liabilities, current portion	6 (12)&8	18,597	1	18,337	2
2399	Other current liabilities—other		1,739	-	479	-
21XX	Total current liabilities		<u>163,208</u>	<u>12</u>	<u>122,042</u>	<u>15</u>
Non-current liabilities						
2530	Corporate bonds payable	6 (11)	186,104	14	-	-
2540	Long-term borrowings	6 (12)&8	157,686	12	47,283	6
2550	Provisions—non-current	6 (15)	1,989	-	1,454	-
2570	Deferred income tax liabilities	6 (26)	-	-	2,961	-
2580	Lease liabilities—non-current		39,118	3	19,511	2
2670	Other non-current liabilities—other		20	-	12	-
25XX	Total non-current liabilities		<u>384,917</u>	<u>29</u>	<u>71,221</u>	<u>8</u>
2XXX	Total liabilities		<u>548,125</u>	<u>41</u>	<u>193,263</u>	<u>23</u>
Equity attributable to owners of the parent						
Share Capital						
3110	Common shares—share capital	6 (16)	345,842	26	332,277	40
	Capital surplus	6 (17)				
3200	Capital surplus		319,494	24	202,445	24
	Retained earnings	6 (18)				
3310	Legal reserve		43,178	3	36,176	4
3320	Special reserve		8,376	1	8,918	1
3350	Undistributed earnings		84,495	6	76,710	9
Other equity						
3400	Other equity		(8,884)	(1)	(8,376)	(1)
31XX	Total equity attributable to owners of the parent		<u>792,501</u>	<u>59</u>	<u>648,150</u>	<u>77</u>
3XXX	Total equity		<u>792,501</u>	<u>59</u>	<u>648,150</u>	<u>77</u>
	Material contingent liabilities and unrecognized contractual commitments	9				
	Major subsequent events	11				
3X2X	Total liabilities and equity		<u>\$ 1,340,626</u>	<u>100</u>	<u>\$ 841,413</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements; please see them together for reference.

Chairman: Chu-Ming Cheng

Managerial Officer: Chu-Ming Cheng

Accounting Officer: Shih-Ting Huang

Medimaging Integrated Solution Inc. and its Subsidiaries
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2023 and 2022

(In Thousands of New Taiwan Dollars, except earnings per share)

Item	Note	2023		2022	
		Amount	%	Amount	%
4000 Operating revenue	6 (19)&7	\$ 537,148	100	\$ 502,088	100
5000 Operating costs	6 (6)	(229,387)	(43)	(247,700)	(49)
5950 Gross operating profit, net		307,761	57	254,388	51
Operating expenses	6 (24) (25)				
6100 Selling expenses		(39,741)	(7)	(29,942)	(6)
6200 Administrative expenses		(48,551)	(9)	(38,624)	(8)
6300 Research and development expenses		(126,833)	(24)	(126,131)	(25)
6450 Expected credit impairment loss	12(2)	(719)	-	(87)	-
6000 Total operating expenses		(215,844)	(40)	(194,784)	(39)
6900 Operating income		91,917	17	59,604	12
Non-operating revenue and expenses					
7100 Interest income	6 (20)	5,077	1	1,405	-
7010 Other income	6 (21)	2,129	-	1,307	-
7020 Other gains and loss	6 (22)	(2,295)	-	26,512	5
7050 Financial cost	6 (23)	(3,847)	(1)	(1,416)	-
7000 Total non-operating revenue and expenses		1,064	-	27,808	5
7900 Net profit before tax		92,981	17	87,412	17
7950 Income tax expenses	6 (26)	(18,927)	(3)	(17,393)	(3)
8200 Profit for the period		\$ 74,054	14	\$ 70,019	14
Items that may be subsequently reclassified into profit or loss					
8361 Exchange differences resulting from translating the financial statements of a foreign operation		(\$ 508)	-	\$ 542	-
8300 Other comprehensive income (net)		(\$ 508)	-	\$ 542	-
8500 Total comprehensive income for the period		\$ 73,546	14	\$ 70,561	14
Basic earnings per share	6 (27)				
9750 Basic earnings per share		\$	2.20	\$	2.20
Diluted earnings per share	6 (27)				
9850 Diluted earnings per share		\$	2.18	\$	2.16

The accompanying notes are an integral part of the consolidated financial statements; please see them together for reference.

Chairman: Chu-Ming Cheng

Managerial Officer: Chu-Ming Cheng

Accounting Officer: Shih-Ting Huang

Medimaging Integrated Solution Inc. and its Subsidiaries
Consolidated Statements of Changes in Equity
For the years ended December 31, 2023 and 2022

In Thousands of New Taiwan Dollars

	Equity attributable to owners of the parent								
	Note	Retained earnings					Other equity		Total equity
		Common shares- share capital	Capital surplus	Legal reserve	Special reserve	Undistributed earnings	Exchange differences resulting from translating the financial statements of a foreign operation	Unrealized profit or loss from financial assets measured at fair value through other comprehensive income	
<u>2022</u>									
Balance on Jan. 1, 2022		\$ 300,062	\$ 90,001	\$ 29,528	\$ 8,606	\$ 66,842	(\$ 6,523)	(\$ 2,395)	\$ 486,121
Profit for the period		-	-	-	-	70,019	-	-	70,019
Other comprehensive income for the period		-	-	-	-	-	542	-	542
Total comprehensive income for the period		-	-	-	-	70,019	542	-	70,561
Appropriation and distribution of retained earnings for 2021	6(18)	-	-	-	-	-	-	-	-
Allocation to legal reserve		-	-	6,648	-	(6,648)	-	-	-
Allocation to special reserve		-	-	-	312	(312)	-	-	-
Cash dividend		-	-	-	-	(53,191)	-	-	(53,191)
Capital increase in cash	6(16)	31,000	110,734	-	-	-	-	-	141,734
Capital increase in cash – compensation costs reserved for employee stock options	6(14)(17)	-	37	-	-	-	-	-	37
Compensation costs of employee stock options	6(14)(17)	-	458	-	-	-	-	-	458
Exercise of employee stock option	6(14)(16)	1,215	1,215	-	-	-	-	-	2,430
Balance on Dec. 31, 2022		\$ 332,277	\$ 202,445	\$ 36,176	\$ 8,918	\$ 76,710	(\$ 5,981)	(\$ 2,395)	\$ 648,150
<u>2023</u>									
Balance on Jan. 1, 2023		\$ 332,277	\$ 202,445	\$ 36,176	\$ 8,918	\$ 76,710	(\$ 5,981)	(\$ 2,395)	\$ 648,150
Profit for the period		-	-	-	-	74,054	-	-	74,054
Other comprehensive income for the period		-	-	-	-	-	(508)	-	(508)
Total comprehensive income for the period		-	-	-	-	74,054	(508)	-	73,546
Appropriation and distribution of retained earnings for 2022	6(18)	-	-	-	-	-	-	-	-
Allocation to legal reserve		-	-	7,002	-	(7,002)	-	-	-

The accompanying notes are an integral part of the consolidated financial statements; please see them together for reference.

Chairman: Chu-Ming Cheng

Managerial Officer: Chu-Ming Cheng

Accounting Officer: Shih-Ting Huang

Medimaging Integrated Solution Inc. and its Subsidiaries
Consolidated Statements of Changes in Equity
For the years ended December 31, 2023 and 2022

In Thousands of New Taiwan Dollars

	Note	Equity attributable to owners of the parent							Total equity
		Retained earnings					Other equity		
		Common shares- share capital	Capital surplus	Legal reserve	Special reserve	Undistributed earnings	Exchange differences resulting from translating the financial statements of a foreign operation	Unrealized profit or loss from financial assets measured at fair value through other comprehensive income	
Reversal for special reserve		-	-	-	(542)	542	-	-	-
Allocation to special reserve		-	-	-	-	(59,809)	-	-	(59,809)
Generated from the recognition of equity component - equity subscription due to the issuance of convertible corporate bonds	6(11)(17)	-	21,811	-	-	-	-	-	21,811
Capital increase in cash	6(16)	12,500	91,170	-	-	-	-	-	103,670
Capital increase in cash – compensation costs reserved for employee stock options	6(14)(17)	-	2,709	-	-	-	-	-	2,709
Compensation costs of employee stock options	6(14)(17)	-	247	-	-	-	-	-	247
Exercise of employee stock option	6(14)(16)	1,065	1,065	-	-	-	-	-	2,130
Capital surplus – other	6(17)	-	47	-	-	-	-	-	47
Balance on Dec. 31, 2023		<u>\$ 345,842</u>	<u>\$ 319,494</u>	<u>\$ 43,178</u>	<u>\$ 8,376</u>	<u>\$ 84,495</u>	<u>(\$ 6,489)</u>	<u>(\$ 2,395)</u>	<u>\$ 792,501</u>

The accompanying notes are an integral part of the consolidated financial statements; please see them together for reference.

Chairman: Chu-Ming Cheng

Managerial Officer: Chu-Ming Cheng

Accounting Officer: Shih-Ting Huang

Medimaging Integrated Solution Inc. and its Subsidiaries
Consolidated Statements of Cash Flows
For the years ended December 31, 2023 and 2022

In Thousands of New Taiwan Dollars

	Note	Jan. 1 - Dec. 31, 2023		Jan. 1 - Dec. 31, 2022
<u>Cash flows from operating activities</u>				
Current net profit before tax		\$ 92,981		\$ 87,412
Adjustments				
Income and expense items				
Depreciation expenses	6(7)(8) (24)	28,604		27,304
Various amortization	6(9)(24)	3,029		2,764
Expected credit impairment loss	12(2)	719		87
Net loss on financial assets measured at fair value through profit or loss		240		-
Remuneration cost for employee stock options	6(14)	2,956		495
Interest income	6(20)	(5,077 )	(	1,405)
Interest expense	6(23)	3,847		1,416
Profit from lease modification	6(22)	-	(	58)
Other item		(461)		-
Changes in operating activities assets and liabilities				
Net changes in operating activities assets				
Contract assets		(4,473 )	(	3,147)
Notes receivable		-		1
Accounts receivable		(16,892 )	(	90)
Accounts receivable- related parties		40,709		30,598
Other receivables		683	(	872)
Inventories		3,265	(	18,192)
Prepayments		518	(	346)
Other current assets		(2,276 )	(	29)
Long-term prepaid expenses		404		1,681
Net changes in operating activities liabilities				
Contract liabilities		49,508	(	4,769)
Notes payable		-	(	4,856)
Accounts payable		(17,860)		9,605
Other payables		(3,712 )	(	5,018)
Other payables – related parties		-	(	2)
Provisions		2,160		914
Other current liabilities		1,260		64
Cash flows from operating activities		180,132		133,593
Interest received		5,077		1,405
Interest paid		(2,567 )	(	1,416)
Income tax paid		(14,221 )	(	20,788)
Net cash flows from operating activities		168,421		112,794

(Continued to next page)

Medimaging Integrated Solution Inc. and its Subsidiaries
Consolidated Statements of Cash Flows
For the years ended December 31, 2023 and 2022

In Thousands of New Taiwan Dollars

	Note	Jan. 1 - Dec. 31, 2023	Jan. 1 - Dec. 31, 2022
<u>Cash flows from investing activities</u>			
Acquisition of financial assets measured at amortized cost		(\$ 125,289)	(\$ 60,319)
Disposal of financial assets measured at amortized cost		-	10,000
Acquisition of property, plant, and equipment	6(28)	(191,486)	(48,869)
Acquisition of intangible asset	6(9)	(7,849)	(1,873)
Increased in refundable deposits		(600)	-
Decreased in refundable deposits		5	-
Increased in other prepayments		(3,462)	(1,573)
Net cash used in investing activities		(328,681)	(102,634)
<u>Cash flows from financing activities</u>			
Increased in short-term borrowings	6(29)	130,000	65,000
Decreased in short-term borrowings	6(29)	(130,000)	(110,000)
Proceeds from issuing corporate bonds	6(29)	205,679	-
Proceeds from long-term borrowings	6(29)	129,000	12,000
Repayments of long-term borrowings	6(29)	(18,337)	(15,811)
Payments of lease liabilities	6(29)	(2,588)	(1,815)
Increased in deposits received	6(29)	8	12
Cash dividend paid	6(18)	(59,808)	(53,191)
Capital increase in cash	6(16)	103,670	141,734
Exercise of employee stock option	6(14)(16)	2,130	2,430
Capital surplus – other	6(17)	47	-
Net cash flows from financing activities		359,801	40,359
Effect of exchange rate changes on cash and cash equivalents		(319)	331
Increase in cash and cash equivalents for the period		199,222	50,850
Cash and cash equivalents at the beginning	6(1)	275,110	224,260
Cash and cash equivalents at the end	6(1)	\$ 474,332	\$ 275,110

The accompanying notes are an integral part of the consolidated financial statements; please see them together for reference.

Chairman: Chu-Ming Cheng

Managerial Officer: Chu-Ming Cheng

Accounting Officer: Shih-Ting Huang

Independent Auditors' Report and 2023 Parent Company Only Financial Statements

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

Independent Auditors' Report

(2024)Tsai-Sheng-Pao-Tzu No. 23004317

To the Board of Directors and Shareholders of Medimaging Integrated Solution, Inc.

Opinion

We have audited the accompanying parent only financial statements of Medimaging Integrated Solution, Inc., (the "Company") which comprise the parent company only balance sheet as of December 31, 2023, and December 31, 2022, and the parent company only statements of comprehensive income, parent company only statements of changes in equity, and parent company only statements of cash flows for the periods from January 1, 2023, to December 31, 2023, and from January 1, 2022, to December 31, 2022, as well as the notes accompanying the parent company only financial statements (including a summary of significant accounting policies).

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the ROC auditing standards. With our responsibility under such regulations and standards, we will further explain the responsibility of our audit of the parent company only financial statements. The independent certified public accountants (CPAs) of our accounting office

have followed the Norm of Professional Ethics for Certified Public Accountants to remain impartial and independent from the Company and carry out other responsibilities required by the Rules. We believe that we have obtained sufficient and pertinent audit evidence, which provides the basis of our audit opinions.

Key audit item

The key audit item refers to the most crucial element of our professional judgement about the audit conducted for the 2023 parent company only financial statements of the Company. The item has been reflected in our overall audit of the parent company only financial statements and in the process to form our audit opinions; however, we do not express our opinion on the item individually.

A description of the key audit item of the parent company only financial statements of the Compan. in 2023 is hereby provided:

Inventory Evaluation

Explanation

The Company mainly manufactures and sells digital medical imaging diagnostic equipment products. The inventories are measured at the lower of cost and net realizable value; for detailed inventory evaluation policies, please refer to note 4(13) in the parent company only financial statements; for the uncertainties in accounting estimates for inventory evaluation, please refer to note 5(2) in the parent company only financial statements. As of December 31, 2023, the total inventory amount and allowance for inventory evaluation losses were NT\$176,904,000 and NT\$30,096,000, respectively.

Due to the significant value of the Company's inventory, and the fact that human judgment is often required to determine the net realizable value of inventory exceeding the specified inventory age, outdated inventory, and obsolete inventory, we list inventory evaluation as one of the most important audit matters.

Corresponding Audit Procedures

The audit procedures performed by us are as follows:

1. Evaluate the rationality and consistency of the policy for provision of allowance for inventory valuation losses.
2. Obtain evaluation data on the lower of inventory cost and net realizable value prepared

by the management, and verify that the logic of report preparation is consistent with the policy.

3. Sample check individual inventory item numbers for evaluation and verification of the net realizable value.
4. Check the rationality of the provision of allowance for inventory valuation losses.

Responsibility of the management and governance unit for the parent company only financial statements

The responsibility of the management is to prepare the adequately expressed consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and to maintain the internal controls required for the preparation of the parent company only financial statements so as to ensure that the consolidated financial statements do not have any material misstatement resulting from fraud or errors.

Unless the management plan is to liquidate the Company or close the business or there are no other practical and feasible measures except liquidation or business closure, the responsibility of the management when preparing the parent company only financial statements includes assessment of the Company's competence in continuing business operation, disclosure of relevant items, and adoption of the business continuation accounting basis.

The governance unit (including the Audit Committee) of the Company is liable to supervise the financial reporting process.

Our responsibility for the audit of parent company only financial statements

The purpose of our audit of the parent company only financial statements is to obtain reasonable assurance as to whether any material misstatement resulting from fraud or errors exists in the overall parent company only financial statements, and issue the audit report. The reasonable assurance referred to here is a high degree of assurance. Nevertheless, the audit executed in accordance with the ROC auditing standards cannot guarantee that a material misstatement existing in the parent company only financial statements will be detected. A misstatement may result from fraud or errors. If the individual amount or compiled amount of a misstatement can be reasonably expected to impact the economic policy made by the user of the parent company only financial

statements, it will be regarded as a material factor.

When conducting the audit in accordance with the Standards on Auditing of the Republic of China, we used our professional judgement and maintained a professional level of skepticism about dubious matters. We also executed the following tasks:

1. Recognize and assess the risk of a material misstatement resulting from fraud or errors in parent company only financial statements, design and take the appropriate coping strategy for the assessed risk, obtain sufficient and pertinent audit evidence as the basis of the audit opinions. Given that fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control, the risk of failure to detect a material misstatement resulting from fraud is higher than of one resulting from errors.
2. Understand the necessity of obtaining the internal control affiliated with the audit, so as to design the appropriate audit procedure for the current conditions. However, the purpose of this is not to express an opinion on the effectiveness of the Company's internal controls.
3. Assess the propriety of the accounting policy adopted by the management and the rationality of the accounting estimation and relevant disclosures.
4. Determine whether the business continuation accounting basis adopted by the management is proper, and whether the material dubious event or circumstance likely incurred from the competence of the Company's continued business operation has any material uncertainty according to the acquired audit evidence. If we consider material uncertainty existent in such event or circumstance, we shall remind the user of the parent company only financial statements to pay attention to the relevant disclosures of the parent company only financial statements through our audit report, or modify the audit opinion when such disclosures are not applicable. Our conclusion is made according to the audit evidence acquired until the audit report day. However, the development of future events or circumstances is also likely to bring about the Company's incompetence to continue its business operation.
5. Assess the overall representation, structure, and content of the parent company only financial statements (including the relevant notes) and check if the related transactions and events are adequately represented in the parent company only financial statements.
6. Acquire sufficient and pertinent audit evidence from the financial information of

individual entities composing the the Company so as to express opinions on the parent company only financial statements. We are responsible for the guidance, supervision, and execution of the parent company's audit cases, and form the parent company only financial statements audit opinions.

The items communicated between us and the governance unit cover the planned audit scope and time and material audit findings (including the significant defects of internal control recognized in the audit process).

We also provide the governance unit with the fact that the personnel of our office who have been required for audit independence have complied with the independence statement stipulated in the Rules of Professional Ethics for Certified Public Accountants and communicated with the governance unit regarding any relations that are likely considered to impact CPA's independence and other items (including relevant protection measures).

According to the items communicated with the governance unit, we have determined the key item of our audit of the Company's 2023 parent company only financial statements, and we have described the item in our audit report. Except for the specific items that are not allowed to be publicly disclosed as prescribed by laws and regulations or under a rare situation, we have decided not to communicate specific matters in our audit report because we have reason to believe that the negative influence of the communication is greater than the positive influence on the public interest.

PwC, Taiwan

Tsai-Yen Chiang

CPAs

Chien-Yu Liu

Financial Supervisory Commission

Approval File No.: Chin-Kuan-Cheng-Shen-Tzu No. 1060025097

Chin-Kuan-Cheng-Shen-Tzu No. 1090350620

March 13, 2024

Medimaging Integrated Solution, Inc.
Parent Company Only Balance Sheet
December 31, 2023 and 2022

In Thousands of New Taiwan Dollars

Assets	Note	Dec. 31, 2023		Dec. 31, 2022		
		Amount	%	Amount	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 428,621	32	\$ 250,592	30
1110	Financial assets measured at fair value through profit or loss – current	6(2)	197	-	-	-
1136	Financial assets measured at amortized cost – current	6(4)	183,817	14	60,000	7
1140	Contract assets – current	6(20)	13,921	1	9,817	1
1170	Accounts receivable- net	6(5)	81,114	6	64,493	8
1180	Accounts receivable- net of the related parties	6(5)&7	167	-	45,759	5
1200	Other receivables		2,055	-	2,727	-
1210	Other receivables – related parties	7	620	-	-	-
130X	Inventories	6(6)	146,808	11	146,565	18
1410	Prepayments		13,012	1	15,849	2
1470	Other current assets		2,358	-	82	-
11XX	Total current assets		<u>872,690</u>	<u>65</u>	<u>595,884</u>	<u>71</u>
Non-current assets						
1517	Financial assets measured at fair value through other comprehensive income – non-current	6(3)	250	-	250	-
1535	Financial assets measured at amortized cost – non-current	6(4)&8	2,431	-	959	-
1550	Investments accounted for using the equity method	6(7)	51,496	4	28,650	3
1600	Property, plant and equipment	6(8)&8	313,470	24	161,106	19
1755	Right-of-use assets	6(9)	41,059	3	19,755	2
1780	Intangible assets	6(10)	16,957	1	12,137	2
1840	Deferred income tax assets	6(26)	10,471	1	6,511	1
1915	Prepayments for business facilities	6(28)	19,105	1	7,315	1
1990	Other non-current assets – other		9,935	1	4,664	1
15XX	Total non-current assets		<u>465,174</u>	<u>35</u>	<u>241,347</u>	<u>29</u>
1XXX	Total assets		<u>\$ 1,337,864</u>	<u>100</u>	<u>\$ 837,231</u>	<u>100</u>

(Continued to next page)

Medimaging Integrated Solution, Inc.
Parent Company Only Balance Sheet
December 31, 2023 and 2022

In Thousands of New Taiwan Dollars

Liabilities and Equity	Note	Dec. 31, 2023		Dec. 31, 2022		
		Amount	%	Amount	%	
Current liabilities						
2130	Contract liabilities—current	6(20)	\$ 50,190	4	\$ 700	-
2170	Accounts payable		10,261	1	28,331	4
2200	Other payables	6(11)	54,796	4	60,162	7
2230	Current tax liabilities		18,738	2	7,111	1
2250	Provisions—current	6(16)	3,590	-	2,283	-
2280	Lease liabilities—current		2,535	-	1,521	-
2320	Long-term liabilities, current portion	6(13)&8	18,597	1	18,337	2
2399	Other current liabilities—other		1,739	-	479	-
21XX	Total current liabilities		<u>160,446</u>	<u>12</u>	<u>118,924</u>	<u>14</u>
Non-current liabilities						
2530	Corporate bonds payable	6(12)	186,104	14	-	-
2540	Long-term borrowings	6(13)&8	157,686	12	47,283	6
2550	Provisions—non-current	6(16)	1,989	-	1,454	-
2570	Deferred income tax liabilities	6(26)	-	-	2,961	1
2580	Lease liabilities—non-current		39,118	3	18,447	2
2645	deposits received		20	-	12	-
25XX	Total non-current liabilities		<u>384,917</u>	<u>29</u>	<u>70,157</u>	<u>9</u>
2XXX	Total liabilities		<u>545,363</u>	<u>41</u>	<u>189,081</u>	<u>23</u>
Equity						
Share Capital						
3110	Common shares – share capital	6(17)	345,842	26	332,277	40
Capital surplus						
3200	Capital surplus	6(18)	319,494	24	202,445	24
Retained earnings						
3310	Legal reserve	6(19)	43,178	3	36,176	4
3320	Special reserve		8,376	1	8,918	1
3350	Undistributed earnings		84,495	6	76,710	9
Other equity						
3400	Other equity		(8,884)	(1)	(8,376)	(1)
3XXX	Total equity		<u>792,501</u>	<u>59</u>	<u>648,150</u>	<u>77</u>
Material contingent liabilities and unrecognized contractual commitments						
Major subsequent events						
3X2X	Total liabilities and equity		<u>\$ 1,337,864</u>	<u>100</u>	<u>\$ 837,231</u>	<u>100</u>

The accompanying notes are an integral part of the parent company only financial statements; please see them together for reference.

Chairman: Chu-Ming Cheng

Managerial Officer: Chu-Ming Cheng

Accounting Officer: Shih-Ting Huang

Medimaging Integrated Solution Inc.
Parent Company Only Statements of Comprehensive Income
For the years ended December 31, 2023 and 2022

		(In Thousands of New Taiwan Dollars, except earnings per share)					
		2023		2022			
Item	Note	Amount	%	Amount	%		
4000	Operating revenue	\$ 530,570	100	\$ 489,038	100		
5000	Operating costs	(224,740)	(42)	(242,979)	(50)		
5900	Gross operating profit	305,830	58	246,059	50		
5910	Unrealized profit from sales	(3,488)	(1)	(4,691)	(1)		
5920	Realized profit from sales	4,691	1	6,540	2		
5950	Gross operating profit, net	307,033	58	247,908	51		
	Operating expenses						
6100	Selling expenses	(37,454)	(7)	(27,077)	(6)		
6200	Administrative expenses	(46,184)	(9)	(36,080)	(7)		
6300	Research and development expenses	(123,939)	(23)	(121,601)	(25)		
6450	Expected credit impairment loss	(434)	-	(87)	-		
6000	Total operating expenses	(208,011)	(39)	(184,845)	(38)		
6900	Operating income	99,022	19	63,063	13		
	Non-operating revenue and expenses						
7100	Interest income	5,011	1	1,344	-		
7010	Other income	1,898	-	1,269	-		
7020	Other gains and loss	(2,308)	-	26,362	6		
7050	Financial cost	(3,800)	(1)	(1,311)	-		
7070	Share of profit (loss) of subsidiaries, associates and joint ventures accounted for using equity method	(6,849)	(1)	(3,315)	(1)		
7000	Total non-operating revenue and expenses	(6,048)	(1)	24,349	5		
7900	Net profit before tax	92,974	18	87,412	18		
7950	Income tax expenses	(18,920)	(4)	(17,393)	(4)		
8200	Profit for the period	\$ 74,054	14	\$ 70,019	14		
	Other comprehensive income						
	Items that may be subsequently reclassified into profit or loss						
8361	Exchange differences resulting from translating the financial statements of a foreign operation	(\$ 508)	-	\$ 542	-		
8300	Other comprehensive income (net)	(\$ 508)	-	\$ 542	-		
8500	Total comprehensive income for the period	\$ 73,546	14	\$ 70,561	14		
	Basic earnings per share						
9750	Basic earnings per share	\$	2.20	\$	2.20		
	Diluted earnings per share						
9850	Diluted earnings per share	\$	2.18	\$	2.16		

The accompanying notes are an integral part of the parent company only financial statements; please see them together for reference.

Chairman: Chu-Ming Cheng

Managerial Officer: Chu-Ming Cheng

Accounting Officer: Shih-Ting Huang

Medimaging Integrated Solution Inc.
Parent Company Only Statements of Changes in Equity
For the years ended December 31, 2023 and 2022

In Thousands of New Taiwan Dollars

	Note	Retained earnings					Other equity		Total equity
		Common shares- share capital	Capital surplus	Legal reserve	Special reserve	Undistributed earnings	Exchange differences resulting from translating the financial statements of a foreign operation	Unrealized profit or loss from financial assets measured at fair value through other comprehensive income	
<u>2022</u>									
Balance on Jan. 1, 2022		\$ 300,062	\$ 90,001	\$ 29,528	\$ 8,606	\$ 66,842	(\$ 6,523)	(\$ 2,395)	\$ 486,121
Profit for the period		-	-	-	-	70,019	-	-	70,019
Other comprehensive income for the period		-	-	-	-	-	542	-	542
Total comprehensive income for the period		-	-	-	-	70,019	542	-	70,561
Appropriation and distribution of retained earnings for 2021	6(19)								
Allocation to legal reserve		-	-	6,648	-	(6,648)	-	-	-
Allocation to special reserve		-	-	-	312	(312)	-	-	-
Cash dividend		-	-	-	-	(53,191)	-	-	(53,191)
Capital increase in cash	6(17)	31,000	110,734	-	-	-	-	-	141,734
Capital increase in cash -Compensation costs reserved for employee stock options	6(15)(18)	-	37	-	-	-	-	-	37
Compensation costs of employee stock options	6(15)(18)	-	458	-	-	-	-	-	458
Exercise of employee stock option	6(15)(17)	1,215	1,215	-	-	-	-	-	2,430
Balance on Dec. 31, 2022		\$ 332,277	\$ 202,445	\$ 36,176	\$ 8,918	\$ 76,710	(\$ 5,981)	(\$ 2,395)	\$ 648,150
<u>2023</u>									
Balance on Jan. 1, 2023		\$ 332,277	\$ 202,445	\$ 36,176	\$ 8,918	\$ 76,710	(\$ 5,981)	(\$ 2,395)	\$ 648,150
Profit for the period		-	-	-	-	74,054	-	-	74,054
Other comprehensive income for the period		-	-	-	-	-	(508)	-	(508)
Total comprehensive income for the period		-	-	-	-	74,054	(508)	-	73,546
Appropriation and distribution of retained earnings for 2022	6(19)								
Allocation to legal reserve		-	-	7,002	-	(7,002)	-	-	-
Reversal for special reserve		-	-	-	(542)	542	-	-	-
Cash dividend		-	-	-	-	(59,809)	-	-	(59,809)
Generated from the recognition of equity component - equity subscription due to the	6(12)(18)	-	21,811	-	-	-	-	-	21,811

The accompanying notes are an integral part of the parent company only financial statements; please see them together for reference.

Chairman: Chu-Ming Cheng

Managerial Officer: Chu-Ming Cheng

Accounting Officer: Shih-Ting Huang

Medimaging Integrated Solution Inc.
Parent Company Only Statements of Changes in Equity
For the years ended December 31, 2023 and 2022

In Thousands of New Taiwan Dollars

	Note	Common shares- share capital	Capital surplus	Retained earnings			Other equity		Total equity
				Legal reserve	Special reserve	Undistributed earnings	Exchange differences resulting from translating the financial statements of a foreign operation	Unrealized profit or loss from financial assets measured at fair value through other comprehensive income	
issuance of convertible corporate bonds									
Capital increase in cash	6(17)	12,500	91,170	-	-	-	-	-	103,670
Capital increase in cash -Compensation costs reserved for employee stock options	6(15)(18)	-	2,709	-	-	-	-	-	2,709
Compensation costs of employee stock options	6(15)(18)	-	247	-	-	-	-	-	247
Exercise of employee stock option	6(15)(17)	1,065	1,065	-	-	-	-	-	2,130
Capital surplus-Other	6(18)	-	47	-	-	-	-	-	47
Balance on Dec. 31, 2023		<u>\$ 345,842</u>	<u>\$ 319,494</u>	<u>\$ 43,178</u>	<u>\$ 8,376</u>	<u>\$ 84,495</u>	<u>(\$ 6,489)</u>	<u>(\$ 2,395)</u>	<u>\$ 792,501</u>

The accompanying notes are an integral part of the parent company only financial statements; please see them together for reference.

Chairman: Chu-Ming Cheng

Managerial Officer: Chu-Ming Cheng

Accounting Officer: Shih-Ting Huang

Medimaging Integrated Solution, Inc.
Parent Company Only Statements of Cash Flows
For the years ended December 31, 2023 and 2022

In Thousands of New Taiwan Dollars

	Note	Jan. 1 - Dec. 31, 2023	Jan. 1 - Dec. 31, 2022
<u>Cash flows from operating activities</u>			
Current net profit before tax		\$ 92,974	\$ 87,412
Adjustments			
Income and expense items			
Depreciation expenses	6(8)(9)(24)	27,715	26,254
Various amortization	6(10)(24)	3,029	2,764
Expected credit impairment loss	12(2)	434	87
Net loss on financial assets measured at fair value through profit or loss		240	-
Remuneration cost for employee stock options	6(15)	2,956	495
Interest income	6(21)	(5,011)	(1,344)
Interest expense	6(23)	3,800	1,311
Losses from lease modification	6(22)	-	25
Share of profit or loss of subsidiaries using the equity method	6(7)	6,849	3,315
Unrealized profit from sales		3,488	4,691
Realized profit from sales		(4,691)	(6,540)
Payable transferred to other income		(211)	-
Changes in operating activities assets and liabilities			
Net changes in operating activities assets			
Contract assets		(4,104)	(1,488)
Notes receivable		-	1
Accounts receivable		(17,055)	648
Accounts receivable- related parties		45,592	28,349
Other receivables		672	(678)
Other receivables- related parties		(620)	-
Inventories		(243)	(17,633)
Prepayments		445	(1,712)
Other current assets		(2,276)	(29)
Long-term prepaid expenses		578	(277)
Net changes in operating activities liabilities			
Contract liabilities		49,490	(1,399)
Notes payable		-	(4,856)
Accounts Payable		(17,860)	9,605
Other payables		(3,028)	3,496
Provisions		1,842	1,030
Other current liabilities		1,260	64
Cash flows from operating activities		186,265	133,591
Interest received		5,011	1,344
Interest paid		(2,520)	(1,311)
Income tax paid		(14,214)	(20,788)
Net cash flows from operating activities		174,542	112,836

(Continued to next page)

MEDIMAGING INTEGRATED SOLUTION INC.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2022	2021
<u>Cash flows from investing activities</u>			
Acquisition of financial assets measured at amortized cost		(\$ 125,289)	(\$ 60,319)
Disposal of financial assets measured at amortized cost		-	10,000
Acquisition of investments accounted for using the equity method		(29,000)	-
Acquisition of property, plant and equipment	6(28)	(191,486)	(48,869)
Acquisition of intangible asset	6(10)	(7,849)	(1,873)
Decreased in refundable deposits		5	-
Increased in other prepayments		(3,462)	(1,573)
Net cash used in investing activities		(357,081)	(102,634)
<u>Cash flows from financing activities</u>			
Increased in short-term borrowings	6(29)	130,000	65,000
Decreased in short-term borrowings	6(29)	(130,000)	(110,000)
Proceeds from issuing corporate bonds	6(29)	205,679	-
Proceeds from long-term borrowings	6(29)	129,000	12,000
Repayments of long-term borrowings	6(29)	(18,337)	(15,811)
Payments of lease liabilities	6(29)	(1,821)	(1,374)
Increased in deposits received	6(29)	8	12
Cash dividend paid	6(19)	(59,808)	(53,191)
Capital increase in cash	6(17)	103,670	141,734
Exercise of employee stock option	6(15)(17)	2,130	2,430
Capital surplus-other	6(18)	47	-
Net cash flows from financing activities		360,568	40,800
Increase in cash and cash equivalents for the period		178,029	51,002
Cash and cash equivalents at the beginning	6(1)	250,592	199,590
Cash and cash equivalents at the end	6(1)	\$ 428,621	\$ 250,592

The accompanying notes are an integral part of the parent company only financial statements; please see them together for reference.

Chairman: Chu-Ming Cheng Managerial Officer: Chu-Ming Cheng Accounting Officer: Shih-Ting Huang

Attachments 4

Medimaging Integrated Solution Inc.

2023 Earnings Distribution Table

Unit: NT\$

Items	Amount	Note
Earnings in 2022 available for distribution	10,440,782	
Plus : Net Income of 2023	74,054,253	
Less : Legal reserve (10%)	(7,405,425)	
Less : Special reserve	(508,219)	
Retained earnings available for distribution as of December 31, 2023	76,581,391	
Distribution Item:		
Cash Dividends to Common Share Holders	(62,251,479)	NT\$ 1.8 per share (note)
Subtotal	(62,251,479)	
Unappropriated retained earnings	14,329,912	
Note :		

Note: The cash dividends to common share holders will be rounded down to NT\$1 (any amount under NT\$1 will be discarded), and the remaining fraction will be incorporated into other revenues of the Company.

CHENG, CHU-MING
Chairman

CHENG, CHU-MING
President

HUANG, SHIH-TING
Chief Accounting Officer

Attachments 5

Medimaging Integrated Solution Inc.

Comparison Table for Procedures for Election of Directors

Before and After Revision

After the revision	Before the revision	Description
<p><u>Article 5</u> Elections of directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. ...(The following is omitted.)</p>	<p><u>Article 5</u> Elections of independent directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. <u>This Corporation shall review the qualifications, education, working experience, background, and the existence of any other matters set forth in Article 30 of the Company Act with respect to nominee independent directors and may not arbitrarily add requirements for documentation of other qualifications. It shall further provide the results of the review to shareholders for their reference, so that qualified independent directors will be elected.</u> <u>After the company's stock is listed (over the counter), all directors shall be elected in accordance with the candidate nomination system procedures stipulated in the preceding paragraph.</u> ...(The following is omitted.)</p>	<p>In accordance with the amendment to Article 192-1 of the Company Law simplifying the procedure for nominating directors, the first paragraph is hereby amended.</p>
<p><u>Article 10</u> This article is deleted.</p>	<p><u>Article 10</u> <u>If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "candidate" column of the</u></p>	<p>In accordance with the Financial Supervisory Commission's Directive No. 1080311451 issued on</p>

	<p><u>ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.</u></p>	<p>April 25, 2019, starting from 2021, the election of directors and supervisors of listed (OTC) companies shall adopt a candidate nomination system. Shareholders should elect from the list of director candidates, and shareholders can access information such as the names and backgrounds of each candidate from the candidate list before the shareholders' meeting, using methods such as shareholder account numbers or identification numbers to identify the candidates. Therefore, this article is deleted.</p>
<p>Article 10 A ballot is invalid under any of the following circumstances: 1.The ballot was not prepared by a person with the right to convene. 2.A blank ballot is placed in the ballot box. 3.The writing is unclear and indecipherable or has been altered. 4.The candidate whose name is entered in the ballot <u>does</u> not conform</p>	<p>Article 11 A ballot is invalid under any of the following circumstances: 1. The ballot was not prepared by the board of directors. 2. A blank ballot is placed in the ballot box. 3. The writing is unclear and indecipherable or has been altered. 4. The candidate whose name is entered in the ballot <u>is a shareholder,</u></p>	<p>In accordance with the deletion of Article 10, adjust the article number. Shareholders may, in certain circumstances (such as when the board of directors fails to issue a notice for convening a meeting), convene a meeting</p>

<p><u>to the director candidate list.</u></p> <p>5. Other words or marks are entered in addition to the number of voting rights allotted.</p>	<p><u>but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.</u></p> <p>5. Other words or marks are entered in addition to the <u>candidate's account name or shareholder account number (or identity card number) and the</u> number of voting rights allotted.</p> <p><u>6. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.</u></p>	<p>themselves in accordance with the provisions of Article 173 of the Company Law, subject to approval from the competent authority. It is proposed to adjust the first paragraph of this article accordingly.</p> <p>Furthermore, in accordance with the Financial Supervisory Commission's Directive No. 1080311451 issued on April 25, 2019, starting from 2021, the election of directors and supervisors of listed (OTC) companies shall adopt a candidate nomination system. Shareholders should elect from the list of director candidates. Therefore, the fourth and fifth paragraphs of this article are adjusted accordingly, and the sixth paragraph is deleted.</p>
<p>Article 11 (This article is omitted.)</p>	<p>Article 12 (This article is omitted.)</p>	<p>In accordance with the deletion of Article 10, adjust the article</p>

		number.
Article <u>12</u> (This article is omitted.)	Article <u>13</u> (This article is omitted.)	In accordance with the deletion of Article 10, adjust the article number.
Article <u>13</u> (This article is omitted.)	Article <u>14</u> (This article is omitted.)	In accordance with the deletion of Article 10, adjust the article number.
Article <u>14</u> These Procedures were established on June 25, 2018. First revised on December 10, 2020. <u>Second revised on June 21, 2024.</u>	Article <u>15</u> These Procedures were established on June 25, 2018. First revised on December 10, 2020.	In accordance with the deletion of Article 10, adjust the article number. Add revision date.