

**全宇生技控股有限公司**  
**ALL COSMOS BIO-TECH HOLDING CORPORATION**  
**2024 Annual General Meeting**  
**Meeting Minutes**

Date/Time: 21 June 2024, 9:00 a.m

Venue: 15F, No. 99, Fuxing N. Rd., Songshan Dist., Taipei City

Total outstanding shares: 64,034,001

Total shares represented by shareholders present in person or by proxy: 49,844,712

Percentage of shares held by shareholders present in person by proxy: 77.84%

Directors presented: Mr. Peng Shih-Hao, Ms. Peng Chia-Lin, Mr. Lo Tzu-Wu,

Mr. Yang Yung-Cheng, Mr. Lee Wen-Chuan,

Ms. Juan, Chiung-Hua, Ms. Ho, Chia-Fang

Attendees: CFO Janice Cheow, Deloitte CPA Yu Cheng-Chuan

Chairman: Mr. Peng Shih-Hao

Minutes recorder: Amy Kuo

The number of representative shares of the shareholders present has reached the statutory number, and the chairman announced the start of the meeting.

**1. Chairman's Remarks:** (Omitted)

**2. Report Items**

**Agenda 1: Year 2023 Business Report. (Refer to Attachment I)**

**Agenda 2: Audit Committee's Review Report on Year 2023 Financial Statements. (Refer to Attachment II)**

**Agenda 3: Report on the Distribution of Employees' Compensation and Directors Remuneration for Year 2023.**

Explanatory Notes :

- (1) Pursuant to the Company's Memorandum and Articles of Association and as approved by the Company's Board of Directors, it is hereby to declare NT\$ 4,394,329 as the Company's 2023 employees' compensation, and NT\$ 2,929,553 is declared as directors' remuneration, each of which represent 3.00% and 2.00% of profit before tax respectively.
- (2) There is no difference between the distribution of 2023 employees' compensation and directors' remuneration and the estimated amount of expenses on the account for the current year. Both are paid in cash.

#### **Agenda 4: Report on Year 2023 Earnings Distribution Proposal**

Explanatory Notes :

- (1) Pursuant to clause 125 A of the Company's Memorandum and Articles of Association, to authorize the board of directors to make a special resolution to pay all or part of the dividends payable in cash and report in Shareholders Meeting.
- (2) The net profit after tax of Year 2023 is NT\$139,361,471 and the proposed earnings distribution is NT\$64,034,001 in cash. Cash dividends on common shares will be distributed as NT\$1.0 each share.
- (3) Please refer to Attachment V for Year 2023 Earnings Distribution Proposal.

#### **Agenda 5: Execution Report on the First Unsecured Convertible Bond in Republic of China**

The company's board of directors resolved to issue 5000 unit of the first unsecured convertible corporate bond in the Republic of China on September 21, 2022, as of the closing date (April 23, 2024), investors have not applied for exchanging corporate bonds, the total face value of corporate bonds is NT\$500 million.

#### **Agenda 6: Report on amendments of "Procedure Rules of Board Meetings"**

Explanatory Notes :

In response to the recent amendment to Taiwan's Company's Act, it is proposed to amend the Procedure Rules of Board Meetings. Please refer to Attachment III for the comparison table of original and amended Rules of Procedure for the Board of Directors.

### **3. Recognition Items**

#### **Agenda 1: Year 2023 Business Report and Financial Statements. (Proposed by the Board of Directors)**

Explanatory Notes:

- (1) The Company's Year 2023 Consolidated Financial Statements, have been duly audited by Independent Auditors, Ms. Chen, Chiang-Hsun and Mr. Liang, Sheng-Tai, of Deloitte & Touche with unqualified opinions. In addition, Year 2023 Business Report and Consolidated Financial Statements have been duly approved by the Board of Directors and examined by the Audit Committee.
- (2) Please refer to Attachment I and Attachment IV for the 2023 Annual Operating Report and Consolidated Financial Statements of this Handbook.

**Resolved:** Approved as proposed, voting results as follows:

Number of votes represented by attending shareholders: 49,844,712

Voting result	Accounted for the voting rights of the attending shareholders (%)
Votes in favor: 49,734,306 (Inclusive of electronic voting rights: 5,255,305)	99.77%
Votes against: 99,034 (Inclusive of electronic voting rights : 99,034)	0.19%
Invalid votes: 0 (Inclusive of electronic voting rights : 0)	0.00%
Abstaining votes and no votes: 11,372 (Inclusive of electronic voting rights : 11,372)	0.02%

## **Agenda 2: Year 2023 Earnings Distribution Proposal (Proposed by the Board of Directors)**

Explanatory Notes:

Year 2023 Earnings Distribution Proposal was approved by the Board of Directors and reviewed by the Audit Committee. Please refer to Attachment V for Earnings Distribution Statement.

**Resolved:** Approved as proposed, voting results as follows:

Number of votes represented by attending shareholders: 49,844,712

Voting result	Accounted for the voting rights of the attending shareholders (%)
Votes in favor: 49,711,306 (Inclusive of electronic voting rights: 5,232,305)	99.73%
Votes against: 122,034 (Inclusive of electronic voting rights: 122,034)	0.24%
Invalid votes: 0 (Inclusive of electronic voting rights: 0)	0.00%
Abstaining votes and no votes: 11,372 (Inclusive of electronic voting rights : 11,372)	0.02%

#### **4. Extempore Motion**

After inquiring all participating shareholders, no one raised ad hoc motions and the Chairman announced meeting adjourned at 9:19a.m..

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**Chairman: Peng, Shih Hao**

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**Minutes recorded by: Amy Kuo**

# **Attachments**

## Attachment I

### All Cosmos Bio-Tech Holding Corporation.

#### Business Report 2023

After a highly uncertain year in 2022, the overall economic environment starts to recover in 2023 even though the Russia-Ukraine war is still unfinished. Inflation slowed down and raw material prices stopped fluctuating significantly as it used to be for the past two year. The annual average crude palm oil price (CPO) is RM3,908 per ton, a decrease of 25% in comparison with 2022. As the war, global edible oil shortages and insufficient manpower demand are the main cause of high CPO price in 2022, the price reduction in 2023 did not represent a weak sign in market, instead, it indicated that the market has returned to normal mechanisms, farmers could therefore maintain stable profit levels for fertilization.

In addition to fertilizer sales, the company's long-term business operations in microbes, health food, and plant vaccines are gradually bringing in good results, the cumulative revenue for 2023 is NT\$2,826,587 thousand. This is the Company's second highest revenue year since its listed.

#### 1. 2023 Operation Results

##### 1.1 Business plan implementation results

Unit: NT\$ in Thousand ; %

	2023	2022	Increase(Decrease) Amount	Change Ratio
Operating Revenue	2,826,587	3,702,330	(875,743)	-23.65%
Gross Profit	587,979	1,137,576	(549,597)	-48.31%
Net Profit For The Year	139,361	368,204	(228,843)	-62.15%

The company's revenue in 2023 decreased by 23.65% in comparison with 2022, the main reason is that the strong performance of revenue and profit in 2022 is affected by the Russia-Ukraine war and the overall economic environment, with the overall market performance returned to stability in 2023, fertilizer prices decreased along with the decline in raw material prices. Under such circumstances, many fertilizer manufacturers with large inventories of high-priced stocks lowered their sales prices to reduce losses. The company's fertilizer selling is mainly based on large-scale tenders, and the inventory is prepared according to expected orders. In order to maintain stable profits, we choose not to follow up on low price orders to avoid reducing profits or causing losses. Taking into account the impact of the general environment and price adjustments, the company's profit is NT\$139,361 thousand.

## 1.2 Financial Revenue and Profitability

Financial Ratio Item		2023	2022
Financial Structure (%)	Debt to Asset Ratio	23.40	30.36
	Long-Term Capital to Fixed Assets Ratio	362.41	564.74
Solvency (%)	Current Ratio	356.65	493.84
	Quick Ratio	267.19	320.06
Profitability (%)	Return on Assets	3.66	10.80
	Return on Equity	6.03	16.90
	Earning Per Share (NT\$)	2.18	5.75

## 1.3 Development Strategy

The company will continue to be committed to the development of green agriculture and assist the upgrading of Malaysian agriculture. It will also expand the high growth potential Indonesian market with resource technology. At the same time, it also further develops and sells health care products and uses technology to convert oil palm waste into functional sugar. This not only turns agricultural waste from waste into gold, but also takes into account health and environmental protection to achieve a circular economy.

## 1.4 Impacts of competition, regulation and overall economic environment

The company keeps up with the pulse of the industry and makes long-term plans for product development, customer relations and marketing management to enhance competitiveness and reduce the impact of the external competitive environment, and always pay attention to important domestic and foreign policies and legal changes. There were no changes in policies or laws that significantly affected the company's financial operations in recent years. Overall, the company is committed to the business fields it has been cultivating for a long time, continues to pursue quality improvement and expansion of applications, and carefully diversifies its business layout to reduce the impact of changes in the competitive environment, regulatory environment and the overall operating environment.

## 2. 2024 Operation Plan Summary:

The average CPO price will maintain at RM3,900-4,200 per metric ton, according to the estimation of Malaysian Palm Oil Board (MPOB). Such price estimates allow plantations to maintain good profit margins, and fertilizer demand will also remain stable. In addition to existing customer relationships that have been cultivated for many years, the company has also felt the impact of ESG on the Malaysian oil palm industry. Since Malaysia's palm oil is mainly for export, in order to comply with the ESG standards of various countries around the world, customers from the top ten plantations in Malaysia have taken the initiative to learn about the company's products and discover how the

company could assist them in ESG. In addition, the Indonesian factory will start production in the second half of 2024, and is initially expected to increase production capacity by 50,000 tons per year. In terms of other products, health food products will also be promoted from the original Chinese market to the Muslim market through more diversified products and different sales channels, and will also expand beyond Malaysia and enter Vietnam market.

The company has 20 years deep cultivation in the Malaysian biochemical fertilizer market, has more than 600 kinds of microbial strains and is the pioneer in the global bio-compound fertilizer industry. As global awareness on sustainable agriculture, improvement of soil degradation and ecological problems arise, the company's advanced technology can help to improve and maintain the environment moving towards the goal of green agriculture. Through continuous efforts to improve, research and development, we lay a solid foundation for future growth.

We hope that we can show our business results to our shareholders with our peers' efforts and our dedication. We commit to the spirit of continuous improvement and would like to thank our partners, shareholders and hardworking staffs for your long-standing support. Thank you for allowing me to express my sincere gratitude here!

All Cosmos Bio-Tech Holding Corporation  
Chairman Peng Shih Hao



## **Attachment II**

### **All Cosmos Bio-Tech Holding Corporation**

#### **Review Report of the Audit Committee**

The Board of Directors has prepared this Company's 2023 business report, financial statements (including consolidated financial statements) and the earnings distribution plan, among which the financial statements (including consolidated financial statement) have been audited by external auditors Chen Chiang Hsun and Liang Sheng Tai of Deloitte & Touche, who have submitted an audit report. The above statements and reports have been examined by the Audit Committee and no irregularities were found. We hereby report as above in accordance with the Securities and Exchange Act. Please kindly approve.

All Cosmos Bio-Tech Holding Corporation

Audit Committee

Convener Yang Yung Cheng

Date : March 14, 2024

### Attachment III

#### Comparison Table of Original and Amended “Procedure Rules of Board Meetings”

Article No.	Before Amendment	After Amendment	Note
Article 3	<p><b>Meeting Notice and Meeting Materials</b></p> <p>The Board of Directors shall meet at least once quarterly. The reasons for calling a Board of Directors meeting shall be notified to each director and supervisor (if there is any) at least seven days in advance. In emergency circumstances, however, a meeting may be called on a shorter notice. The notification of the summons mentioned in the preceding paragraph may be made electronically with the consent of the counterparty. All matters set out in subparagraphs of Article 12, paragraph 1, shall be specified in the notice of the reasons for calling a Board of Directors meeting; none of them may be raised by an extraordinary motion <del>except in the case of an emergency or legitimate reason.</del></p> <p>The financial affairs department is designated by the Board of Directors as the meeting administrative office to handle the administrative matters of the Board meetings. The meeting administrative office is responsible to draft agenda for the Board meeting and prepare sufficient meeting materials to be mailed with the meeting notice. Where a Director finds the meeting materials insufficient, he or she may ask the meeting administrative office to provide additional information. If a Director believes the agenda information is incomplete, discussion of the matters may be postponed upon approval of the Board of Directors.</p>	<p><b>Meeting Notice and Meeting Materials</b></p> <p>The Board of Directors shall meet at least once quarterly. The reasons for calling a Board of Directors meeting shall be notified to each director and supervisor (if there is any) at least seven days in advance. In emergency circumstances, however, a meeting may be called on a shorter notice. The notification of the summons mentioned in the preceding paragraph may be made electronically with the consent of the counterparty. All matters set out in subparagraphs of Article <u>11</u>, paragraph 1, shall be specified in the notice of the reasons for calling a Board of Directors meeting; none of them may be raised by an extraordinary motion.</p> <p>The financial affairs department is designated by the Board of Directors as the meeting administrative office to handle the administrative matters of the Board meetings. The meeting administrative office is responsible to draft agenda for the Board meeting and prepare sufficient meeting materials to be mailed with the meeting notice. Where a Director finds the meeting materials insufficient, he or she may ask the meeting administrative office to provide additional information. If a Director believes the agenda information is incomplete, discussion of the matters may be postponed upon approval of the Board of Directors.</p>	Amended in accordance with the laws and regulations.

Article No.	Before Amendment	After Amendment	Note
Article 11	<p><b>Matters that Must be Discussed at the Board Meeting</b></p> <p>The following matters shall be brought to a Board meeting for discussion:</p> <ol style="list-style-type: none"> <li>1. The Company's business plan;</li> <li>2. Annual financial report and biannual financial report;</li> <li>3. Internal control system established or amended in accordance with the Applicable Listing Rules;</li> <li>4. Procedure for handling important financial and business activities such as the acquisition or disposition of assets, derivative products transactions, lending of capital, endorsement for third party, provision of guarantee, established or amended in accordance with the Applicable Listing Rules;</li> <li>5. Offering, issue or private placement of securities of the nature of equity;</li> <li><del>6. Appointment and/or dismissal of a financial, accounting or internal audit officer; and</del></li> <li><del>7. Matters to be resolved at general meetings or by the Board meeting in accordance with the Applicable Listing Rules, Law or the Articles, or any such significant matters as may be prescribed by the Commission.</del></li> </ol> <p><del>For matters to be resolved by the Board meeting under the Applicable Listing Rules, Independent Directors shall attend a Board meeting in person or appoint another Independent Director to attend the Board meeting on his or her behalf and may not appoint an agent who is not an Independent Director as his or her agent. Any objection or reservation that an Independent Director may have shall be specified in the minutes of proceedings of the Board meeting. If an Independent Director wishing to express his or her objection or reservation is unable to attend the Board meeting in person, he or she shall issue a written opinion beforehand and such objection or reservation shall be specified in the minutes of proceedings of the Board meeting, unless there is good cause.—</del></p>	<p><b>Matters that Must be Discussed at the Board Meeting</b></p> <p>The following matters shall be brought to a Board meeting for discussion:</p> <ol style="list-style-type: none"> <li>1. The Company's business plan;</li> <li>2. Annual financial report and biannual financial report;</li> <li>3. Internal control system established or amended in accordance with the Applicable Listing Rules;</li> <li>4. Procedure for handling important financial and business activities such as the acquisition or disposition of assets, derivative products transactions, lending of capital, endorsement for third party, provision of guarantee, established or amended in accordance with the Applicable Listing Rules;</li> <li>5. Offering, issue or private placement of securities of the nature of equity;</li> <li><u>6. The election or dismiss of chairman if the board of directors does not have a managing director</u></li> <li><u>7. Appointment and/or dismissal of a financial, accounting or internal audit officer;</u></li> <li><u>8. Donations to related parties or major donations to non-related parties. Public welfare donations for emergency relief due to major natural disasters may be submitted to the next board of directors for ratification.</u></li> <li><u>9. In accordance with Article 14-3 of the Securities and Exchange Act, other matters that should be resolved by shareholders' meeting or board of directors in accordance with laws or articles of association, or major matters stipulated by the competent authority.</u></li> </ol> <p><u>The "related party" mentioned in subparagraph 8 of the preceding paragraph refers to related parties regulated by the standards for the preparation of financial report; the so-called major donations to non-related parties refer to the amount of each donation or the cumulative amount of donations to the same object within one year reaching more than NT\$100 million, or reaching 1% of the net operating income in the financial report certified by an accountant in the most recent year or more than 5% of the paid-in capital.</u></p> <p><u>The term "within one year" mentioned in the</u></p>	Amended in accordance with the laws and regulations.

Article No.	Before Amendment	After Amendment	Note
		<p><u>preceding paragraph is based on the date of the current board meeting, and is calculated retrospectively for one year. If the board of directors has passed the resolution, it will not be included again.</u></p> <p><u>If the shares of a foreign company have no par value or the par value per share is not NT\$10, the amount of 5% of the paid-in capital in Paragraph 2 of this Article shall be calculated as 2.5% of shareholders' equity.</u></p> <p>Based on the above-mentioned resolutions, the board of directors should have at least one independent director attend the board meeting in person. For the first matter that should be submitted to the board of directors for resolution, all independent directors should attend the board of directors. If an independent director is unable to attend in person, he should appoint other independent directors to attend on his behalf.</p> <p>If independent directors have objections or reservations, they should be stated in the minutes of the board meeting; if an independent director is unable to attend the board of directors in person to express his objections or reservations, he should issue written opinions in advance and record them in the minutes of the board of directors unless there is a legitimate reason.</p>	
Article 15 Paragraph 7	<p><b>Meeting Minutes and Signature</b></p> <p>Matters for discussion: How a proposal is resolved and the result; summary of statement by Director, Supervisor (if there is any), expert and other persons; objections and/or reservations with record or written statement; and written opinion issued by Independent Director in accordance with the provisions under Paragraph 2, Article 11 of the Rules;</p>	<p><b>Meeting Minutes and Signature</b></p> <p>Matters for discussion: How a proposal is resolved and the result; summary of statement by Director, Supervisor (if there is any), expert and other persons; objections and/or reservations with record or written statement; and written opinion issued by Independent Director in accordance with the provisions under Paragraph 5, Article 11 of the Rules;</p>	Wording amendment

## **Attachment IV**

### **All Cosmos Bio-Tech Holding Corporation and Subsidiaries**

**Consolidated Financial Statements for the  
Years Ended December 31, 2023 and 2022 and  
Independent Auditors' Report**

Address: One Nexus Way Camana Bay, Grand  
Cayman, KY1-9005 Cayman Islands

Telephone: (607)252-3788

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders All  
Cosmos Bio-Tech Holding Corporation

### **Opinion**

We have audited the accompanying consolidated financial statements of All Cosmos Bio-Tech Holding Corporation (the “Company”) and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the Group's consolidated financial statements for the year ended December 31, 2023 are stated as follows:

#### Occurrence of Sales Revenue from Major Customers

The Group's sales revenue from major customers for the year ended December 31, 2023, was NT\$1,793,370 thousand, representing 63% of the total sales revenue. The Group's revenue mainly comes from major customers with significant transactions. Sales revenue from some of these major customers increased significantly compared to the previous year. Considering the higher inherent risk in revenue recognition and its significant impact on the Group's financial statements, we identified the occurrence of sales revenue from the aforementioned major customers as the key audit matter.

Refer to Notes 4 (n) and 23 to the consolidated financial statements for details on the accounting policy and relevant disclosures on revenue recognition.

The main audit procedures that we performed in respect of sales revenue from major customers included the following:

1. We obtained an understanding of the Group's internal control and operating procedures of the sales cycle, and we designed the corresponding audit procedures and tested the effectiveness of the internal controls associated with the risk mentioned above.
2. We performed substantive tests on sales revenue, selected samples from the general ledger of sales revenue, and checked the records against external supporting documents and documents of receivables to verify the occurrence of sales.

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chiang-Hsun Chen and Sheng-Tai Liang.

Deloitte & Touche Taipei,  
Taiwan Republic of China

March 14, 2024

#### Notice to Readers

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

*For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.*

# ALL COSMOS BIO-TECH HOLDING CORPORATION AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023		2022	
	Amount	%	Amount	%
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 1,458,863	40	\$ 1,341,510	33
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	41,071	1	4	-
Financial assets at amortized cost - current (Notes 4, 8 and 33)	157,095	4	126,681	3
Trade receivables, net (Notes 4, 9 and 23)	406,014	11	641,279	16
Trade receivables from related parties (Notes 4, 23 and 32)	37,595	1	57,369	1
Other receivables (Notes 4 and 9)	3,706	-	2,548	-
Other receivables from related parties (Notes 4 and 32)	6,698	-	11,386	-
Current tax assets (Notes 4 and 25)	50,667	2	15,296	-
Inventories (Notes 4 and 10)	591,062	16	1,104,223	27
Prepayments (Note 17)	65,212	2	65,307	2
Other current assets (Note 17)	395	-	1,278	-
<b>Total current assets</b>	<b>2,818,378</b>	<b>77</b>	<b>3,366,881</b>	<b>82</b>
<b>NON-CURRENT ASSETS</b>				
Investments accounted for using the equity method (Notes 4 and 12)	22,343	1	30,164	1
Property, plant and equipment (Notes 4, 13 and 33)	641,159	17	519,411	13
Right-of-use assets (Notes 4, 14 and 33)	154,162	4	154,697	4
Goodwill (Notes 4 and 15)	1,108	-	364	-
Other intangible assets (Notes 4 and 16)	9,072	-	479	-
Deferred tax assets (Notes 4 and 25)	10,737	-	13,899	-
Other non-current assets (Note 17)	16,776	1	25,484	-
<b>Total non-current assets</b>	<b>855,357</b>	<b>23</b>	<b>744,498</b>	<b>18</b>
<b>TOTAL</b>	<b>\$ 3,673,735</b>	<b>100</b>	<b>\$ 4,111,379</b>	<b>100</b>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Notes 18 and 33)	\$ -	-	\$ 394,475	10
Financial liabilities at fair value through profit or loss - current (Notes 4, 7 and 19)	19,500	-	8,950	-
Contract liabilities - current (Notes 4 and 23)	907	-	6,006	-
Trade payables	108,330	3	76,022	2
Trade payables to related parties (Note 32)	22,429	1	7,895	-
Other payables (Note 20)	95,794	3	117,875	3
Other payables to related parties (Note 32)	10,862	-	-	-
Current tax liabilities (Notes 4 and 25)	18,266	-	57,577	1
Lease liabilities - current (Notes 4 and 14)	4,760	-	2,307	-
Current portion of long-term borrowings (Notes 18, 19 and 33)	508,446	14	9,859	-
Other current liabilities (Note 20)	751	-	806	-
<b>Total current liabilities</b>	<b>790,245</b>	<b>21</b>	<b>681,772</b>	<b>16</b>
<b>NON-CURRENT LIABILITIES</b>				
Bonds payable (Notes 4 and 19)	-	-	497,774	12
Long-term borrowings (Notes 18 and 33)	24,800	1	36,047	1
Deferred tax liabilities (Notes 4 and 25)	38,743	1	30,575	1
Lease liabilities - non-current (Notes 4 and 14)	5,084	-	2,002	-
Net defined benefit liabilities - non-current (Notes 4 and 21)	669	-	-	-
<b>Total non-current liabilities</b>	<b>69,296</b>	<b>2</b>	<b>566,398</b>	<b>14</b>
<b>Total liabilities</b>	<b>859,541</b>	<b>23</b>	<b>1,248,170</b>	<b>30</b>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 22)</b>				
Share capital				
Ordinary shares	640,340	18	640,340	16
Capital surplus	781,838	21	781,838	19
Retained earnings				
Legal reserve	231,923	6	195,237	5
Special reserve	422,189	12	527,952	13
Unappropriated earnings	690,086	19	643,755	15
Total retained earnings	1,344,208	37	1,366,944	33
Other equity	(512,043)	(14)	(422,189)	(10)
<b>Total equity attributable to owners of the Company</b>	<b>2,254,343</b>	<b>62</b>	<b>2,366,933</b>	<b>58</b>
<b>NON-CONTROLLING INTERESTS (Note 22)</b>	<b>559,851</b>	<b>15</b>	<b>496,276</b>	<b>12</b>
<b>Total equity</b>	<b>2,814,194</b>	<b>77</b>	<b>2,863,209</b>	<b>70</b>
<b>TOTAL</b>	<b>\$ 3,673,735</b>	<b>100</b>	<b>\$ 4,111,379</b>	<b>100</b>

The accompanying notes are an integral part of the consolidated financial statements.

# ALL COSMOS BIO-TECH HOLDING CORPORATION AND 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)

	2023		2022	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 23 and 32)				
Sales	\$ 2,826,587	100	\$ 3,702,330	100
OPERATING COSTS (Notes 10, 24 and 32)				
Cost of goods sold	(2,238,608)	(79)	(2,564,754)	(69)
GROSS PROFIT	587,979	21	1,137,576	31
OPERATING EXPENSES (Notes 24 and 32)				
Selling and marketing expenses	(160,186)	(6)	(246,451)	(7)
General and administrative expenses	(236,166)	(8)	(229,117)	(6)
Research and development expenses	(3,731)	-	(2,277)	-
Expected credit gain (Notes 9 and 32)	1,999	-	7,261	-
Total operating expenses	(398,084)	(14)	(470,584)	(13)
PROFIT FROM OPERATIONS	189,895	7	666,992	18
NON-OPERATING INCOME AND EXPENSES (Notes 4, 24 and 32)				
Interest income	30,417	1	11,487	-
Other income	4,944	-	16,996	-
Other gains and losses	31,012	1	(44,647)	(1)
Finance costs	(3,983)	-	(18,810)	-
Share of profit of associates (Note 12)	5,345	-	1,932	-
Total non-operating income and expenses	67,735	2	(33,042)	(1)
PROFIT BEFORE INCOME TAX	257,630	9	633,950	17
INCOME TAX EXPENSE (Notes 4 and 25)	(68,321)	(2)	(177,931)	(5)
NET PROFIT FOR THE YEAR	189,309	7	456,019	12
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 22 and 25)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 21)	(71)	-	-	-
Exchange differences on translation to the presentation currency	(113,042)	(4)	132,575	4
Income tax related to items that will not be reclassified subsequently to profit or loss	16	-	-	-
	(113,097)	(4)	132,575	4

(Continued)

# ALL COSMOS BIO-TECH HOLDING CORPORATION AND 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)

	2023		2022	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	\$ 4,331	-	\$ (6,895)	-
Income tax relating to items that may be reclassified subsequently to profit or loss	(712)	-	1,454	-
	<u>3,619</u>	-	<u>(5,441)</u>	-
Other comprehensive income (loss) for the year, net of income tax	<u>(109,478)</u>	<u>(4)</u>	<u>127,134</u>	<u>4</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 79,831</u>	<u>3</u>	<u>\$ 583,153</u>	<u>16</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 139,361	5	\$ 368,204	10
Non-controlling interests	<u>49,948</u>	<u>2</u>	<u>87,815</u>	<u>2</u>
	<u>\$ 189,309</u>	<u>7</u>	<u>\$ 456,019</u>	<u>12</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 49,452	2	\$ 473,967	13
Non-controlling interests	<u>30,379</u>	<u>1</u>	<u>109,186</u>	<u>3</u>
	<u>\$ 79,831</u>	<u>3</u>	<u>\$ 583,153</u>	<u>16</u>
EARNINGS PER SHARE (Note 26)				
From continuing operations				
Basic	<u>\$ 2.18</u>		<u>\$ 5.75</u>	
Diluted	<u>\$ 2.13</u>		<u>\$ 5.65</u>	

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

# ALL COSMOS BIO-TECH HOLDING CORPORATION AND 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)

	2023		2022	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	\$ 4,331	-	\$ (6,895)	-
Income tax relating to items that may be reclassified subsequently to profit or loss	(712)	-	1,454	-
	<u>3,619</u>	<u>-</u>	<u>(5,441)</u>	<u>-</u>
Other comprehensive income (loss) for the year, net of income tax	<u>(109,478)</u>	<u>(4)</u>	<u>127,134</u>	<u>4</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 79,831</u>	<u>3</u>	<u>\$ 583,153</u>	<u>16</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 139,361	5	\$ 368,204	10
Non-controlling interests	<u>49,948</u>	<u>2</u>	<u>87,815</u>	<u>2</u>
	<u>\$ 189,309</u>	<u>7</u>	<u>\$ 456,019</u>	<u>12</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 49,452	2	\$ 473,967	13
Non-controlling interests	<u>30,379</u>	<u>1</u>	<u>109,186</u>	<u>3</u>
	<u>\$ 79,831</u>	<u>3</u>	<u>\$ 583,153</u>	<u>16</u>
EARNINGS PER SHARE (Note 26)				
From continuing operations				
Basic	<u>\$ 2.18</u>		<u>\$ 5.75</u>	
Diluted	<u>\$ 2.13</u>		<u>\$ 5.65</u>	

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022  
(In Thousands of New Taiwan Dollars)

The accompanying notes are an integral part of the consolidated financial statements.



# ALL COSMOS BIO-TECH HOLDING CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 257,630	\$ 633,950
Adjustments for:		
Depreciation expense	48,410	48,494
Amortization expense	737	518
Expected credit loss reversed on trade receivables	(1,999)	(7,261)
Net gain on fair value change of financial assets/liabilities at fair value through profit or loss	7,808	2,749
Finance costs	3,983	18,810
Interest income	(30,417)	(11,487)
Share of profit of associates	(5,345)	(1,932)
Loss on disposal of property, plant and equipment	418	29
Write-downs of inventories	-	34,661
Unrealized gain on foreign exchange	(14,136)	(1,805)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	374	2,855
Trade receivables	231,330	(239,733)
Trade receivables from related parties	17,663	4,848
Other receivables	257	1,401
Inventories	537,702	(250,480)
Prepayments	(1,625)	7,835
Contract liabilities	(4,970)	(1,348)
Trade payables	33,604	(19,650)
Trade payables to related parties	14,372	(2,051)
Other payables	(32,610)	(1,635)
Other payables to related parties	12	-
Other current liabilities	(16)	(422)
Net defined benefit liabilities	615	-
Cash generated from operations	1,063,797	218,346
Interest received	29,160	11,443
Interest paid	(3,168)	(19,307)
Income tax paid	(130,546)	(166,639)
Net cash generated from operating activities	959,243	43,843
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at amortized cost	(70,194)	(36,955)
Proceeds from sale of financial assets at amortized cost	34,126	70,928
Purchase of financial assets at fair value through profit or loss	(40,971)	-
Proceeds from sale of financial assets at fair value through profit or loss	-	35,795
Purchase of long-term equity investment using the equity method	-	(13,501)
Purchase of subsidiaries	29,638	-
Payments for property, plant and equipment	(155,472)	(57,125)

(Continued)

# ALL COSMOS BIO-TECH HOLDING CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
Proceeds from disposal of property, plant and equipment	\$ 328	\$ -
Increase in refundable deposits	-	(2,773)
Decrease in refundable deposits	3,405	12
Decrease in other receivables from related parties	4,112	2,685
Payments for intangible assets	(673)	(97)
Increase in prepayment for equipment	<u>(7,278)</u>	<u>(3,637)</u>
Net cash used in investing activities	<u>(202,979)</u>	<u>(4,668)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term borrowings	-	1,330,074
Repayments of short-term borrowings	(386,482)	(1,279,321)
Proceeds from issuance of convertible bonds	-	507,500
Payments for transaction costs attributable to the issue of convertible bonds	-	(5,650)
Proceeds from long-term borrowings	-	50,805
Repayments of long-term borrowings	(9,635)	(8,225)
Proceeds from guarantee deposits received	286	-
Refund of guarantee deposits received	-	(4,064)
Repayment of the principal portion of lease liabilities	(6,096)	(2,153)
Dividends paid to owners of the Company	(160,085)	(96,051)
Changes in non-controlling interests	32,490	8,303
Dividends paid to non-controlling interests	<u>(20,360)</u>	<u>(10,829)</u>
Net cash (used in) generated from financing activities	<u>(549,882)</u>	<u>490,389</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>	<u>(89,029)</u>	<u>71,507</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>117,353</b>	<b>601,071</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<u><b>1,341,510</b></u>	<u><b>740,439</b></u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u><b>\$ 1,458,863</b></u>	<u><b>\$ 1,341,510</b></u>

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)



## Attachment V

### All Cosmos Bio-Tech Holding Corporation

### Year 2023 Earnings Distribution Proposal

		Unit:NT\$
Items		Amount
Beginning Balance of Undistributed Earnings		552,747,381
Add : Net Profit for the Period	139,361,471	
Remeasurement amounts of defined benefit plans are recognized in retained earnings	(55,533)	
Adjustment of retained earnings due to investment using equity method	(1,957,081)	
The amount of Net profit for the Period plus other items included in current year's undistributed surplus		137,348,857
Less : 10% Legal Reserve		(13,734,886)
Less : Revolving the Special Surplus Reserve According to Law		(89,854,208)
Available for Distribution Surplus *		586,507,144
Distributable Items		
Cash Dividends on Common Shares (NT\$ 1.0 per share) 64,034,001 shares		(64,034,001)
Closing Balance of Undistributed Earnings		522,473,143

Note :

1. The amount of dividend is calculated by the number of outstanding shares of 64,034,001 shares as of the latest shareholders register cutoff date as at 23 April, 2023. The actual distribution rate of dividends will be adjusted according to the number of outstanding shares on the cut-off date for distribution of dividends, the total amount of distribution will remain unchanged.
2. The Cash Dividends of NT\$64,034,001 (64,034,001 shares x NT\$ 1.0) will be distributed from the 2023 annual distributable surplus, NT\$1.0 for each share. The distributed amount will be in round numbers, the remainder will be treated as other income.
3. If the Company subsequently buys back the shares of the Company, transfers, converts and cancels the treasury shares, or according to the issue and conversion rules to convert the Company Bonds, which affects the amount of shares outstanding, the share allotment and the changes of the dividend yields, will raise request to shareholders' meeting to authorize the board of directors to handle the matter.