

## PharmaEngine, Inc. Audit Committee Operation

● 2025 Audit Committee resolutions:

Meeting Date	Period	Proposal	Independent director's objections or reservations	Audit Committee Resolution	Company Opinion
Jan. 23, 2025	12 <sup>th</sup> meeting of the 3 <sup>rd</sup> intake	1. Evaluate the accountant's independence, eligibility, and remuneration 2. Discuss the evaluation of 2024 internal control system effectiveness and "Internal Control System Declaration" proposal	None	1. Approved by all attending committee members 2. Approved by all attending committee members	1. Approved by all attending directors 2. Approved by all attending directors
Feb. 25, 2025	13 <sup>th</sup> meeting of the 3 <sup>rd</sup> intake	1. Discuss 2024 annual financial report and business report 2. Discuss 2024 distribution of earnings 3. Discuss the proposal of procuring AGM gifts from a related party	None	1. Approved by all attending committee members 2. Approved by all attending committee members	1. Approved by all attending directors 2. Approved by all attending directors 3. Approved by the attending

				3. Approved by all attending committee members	directors with the exception of three directors that avoided the discussion due to conflict of interests
Apr. 29, 2025	14 <sup>th</sup> meeting of the 3 <sup>rd</sup> intake	1. Discuss first-quarter 2025 financial statements	None	1. Approved by all attending committee members	1. Approved by all attending directors
May 23, 2025	1 <sup>st</sup> meeting of the 4 <sup>th</sup> intake	1. Discuss convener for the 4 <sup>th</sup> intake of the Audit Committee	None	1. Approved by all attending committee members	N/A
Jul. 29, 2025	2 <sup>nd</sup> meeting of the 4 <sup>th</sup> intake	1. Discuss second-quarter 2025 financial statements 2. Discuss the establishment of “Risk Management Best-Practice Principles” 3. Discuss the “Enhance Corporate Value Plan” for 2025	None	1. Approved by all attending committee members 2. Approved by all attending committee members 3. Approved by all attending committee members	1. Approved by all attending directors 2. Approved by all attending directors 3. Approved by all attending directors

Oct. 30, 2025	3 <sup>rd</sup> meeting of the 4 <sup>th</sup> intake	<ol style="list-style-type: none"> <li>1. Discuss third-quarter 2025 financial statements</li> <li>2. Discuss the 2026 business KPI and budgets</li> <li>3. Discuss the 2026 internal audit plan</li> <li>4. Discuss the amendments to the “Corporate Governance Best Practice Principles”</li> <li>5. Discuss the amendments to the “Sustainable Development Best Practice Principles”</li> </ol>	None	<ol style="list-style-type: none"> <li>1. Approved by all attending committee members</li> <li>2. Approved by all attending committee members</li> <li>3. Approved by all attending committee members</li> <li>4. Approved by all attending committee members</li> <li>5. Approved by all attending committee members</li> </ol>	<ol style="list-style-type: none"> <li>1. Approved by all attending directors</li> <li>2. Approved by all attending directors</li> <li>3. Approved by all attending directors</li> </ol>
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### Audit Committee Member Attendance

(1) In 2025, the Audit Committee's 3<sup>rd</sup> intake held 3 meetings (A), and 4<sup>th</sup> intake held 3 meetings (A)

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) B/A	Remarks
Convener	Pau-Chu Lo	3	0	100%	Newly elected on May 23, 2025
Member	Chien-Huang Lin	6	0	100%	Re-elected on May 23, 2025
Member	Wen-Ta Chiu	3	0	100.0	Newly elected on May 23, 2025
Former Member	Ming -Daw Chang	3	0	100.0	Relieved on May 23, 2025
Former Member	Chih-Li Wang	3	0	100.0	Relieved on May 23, 2025

### 2025 Audit Committee Operation Summary

The Audit Committee meeting occurs once every quarter. In 2025, six meetings were convened, and the matters reviewed were matters listed in Article 6 of the Audit Committee Charter. The matters discussed and approved by the Audit Committee in 2025 are as follow:

- Financial Statement Review

Audited and approved the 2024 Business Report, financial statements, and the profit distribution proposal prepared by the Board of Directors. Financial statements, in particular, have been audited by PwC Taiwan, with the Audit Report issued.

Audited and approved the financial statements for the first-third quarter 2025, which also have been audited by PwC Taiwan with the Audit Report issued.

- Evaluation of the validity of the internal control system

The Audit Committee evaluates the validity of the policy and procedure of the Company's internal control system (that covers environment management, risk analysis, management operation, information and communication, and other monitoring measures) and reviews periodic reports submitted by the Company's Audit Office, the CPAs, and the management team, the reports include risk management and regulation compliance. The Audit Committee believes that the risk management and internal control systems of the Company are valid. The Company has adopted necessary control mechanisms to supervise and correct non-compliant behavior.

- Audit Internal Control Corrections

In 2025, the Audit Committee approved the establishment of "Risk Management Best-Practice Principles", and the amendments of "Corporate Governance Best Practice Principles" and "Sustainable Development Best Practice Principles".

- Delegation of CPA

The Audit Committee is empowered to supervise the independence of the CPAs and the accounting firm in order to ensure impartiality of financial statements. The Company has formulated the "General Principles of Pre-approval Non-Assurance Service Policy" and the pre-approval list in accordance with the "International Code of Ethics for Accountants (IESBA Code)" revised by the International Ethics Standards Board for Accountants (IESBA). Except for the tax-related services or pre-approved non-assurance services, the CPAs and the accounting firm may not provide the Company with other services. All the services provided by the CPAs and the accounting firm must be approved by the Audit Committee.

In order to ensure the independence of the CPAs and the accounting firm, the Audit Committee evaluates the independence based on the requirements of Article 7 of 10 of the Code of Ethics for Certified Public Accountants "Independence of Audit and Review" defined by the CPA Associations, R.O.C. and obtains the statement of independence from the accountants.

It was reviewed and approved during the 12th meeting of the 3rd intake of the Audit Committee on January 23, 2025 and the 12th meeting of the 8th intake of Board of Directors on January 23, 2025 that CPAs Yu, Shu-Fen and Liang Hua-Ling of PwC Taiwan had fulfilled the



independence and competency evaluation criteria their public audit fees are still reasonable. We hired them as our CPAs for the Company's 2025 financial reports.