

Stock Code : 4157



# **TaiGen Biopharmaceuticals Holdings Limited**

## **Handbook for the 2023 Annual General Meeting of Shareholders**

**(Translation)**

Date: May 26, 2023, 10:00 a.m.

Location: 2F., No.327, Sec. 1, Tiding Blvd., Neihu Dist., Taipei City

### **Notice to Readers**

The Meeting Handbook has been translated into English from the original Chinese version. 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 version shall prevail.

# Table of Contents

<b>A. Meeting Procedures</b> .....	1
<b>B. Meeting Agenda</b> .....	2
I、Report Items .....	3
II、Ratification Items .....	4
III、Proposed Resolutions.....	5
IV、Motions .....	7
V、Adjournment .....	7
<b>C. Attachment</b>	
1、2022 Business Report .....	9
2、Audit Committee’s Review Report.....	13
3、2022 Director's remuneration .....	14
4、Audited Financial Statements for Year 2022 .....	15
5、Comparison Table for the AMENDMENTS AND RESTATED RESTATED MEMORANDUM OF ASSOCIATION .....	25
6、Comparison Table for the Procedures for Acquisition or Disposal of Assets .....	36
7、Employee Restricted Stock Awards Rules for Year 2023.....	43
<b>D. Appendix</b>	
1、AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION .....	49
2、Rules of Procedures for Shareholders’ Meetings.....	87
3、Current Shareholdings of Directors .....	96
4、The Acceptance of the Shareholders' Proposals for the Shareholders Meeting This Year .....	97

# **TaiGen Biopharmaceuticals Holdings Limited**

## **Meeting Procedures for 2023 Annual General Meeting of Shareholders**

### **A. Meeting Procedures**

I Call the Meeting to Order

II Chairperson Remarks

III Report Items

IV Ratification Items

V Proposed Resolutions

VI Motions

VII Adjournment

## **B. Meeting Agenda**

- I. Date and Time : May 26, 2023 ( Friday ) at 10:00 a.m.
- II. Location : 2F., No.327, Sec. 1, Tiding Blvd., Neihu Dist., Taipei City 114, Taiwan
- III. Call the meeting to order
- IV. Chairperson remarks
- V. Report Items
  - Item No.1 : 2022 Business Report.
  - Item No.2 : 2022 Audit Committee's Review Report to the Financial Statement.
  - Item No.3 : 2022 Director's Remuneration
- VI. Ratification Items
  - Item No.1: To Ratify the 2022 Financial Statements and Business Report.
  - Item No.2: To Ratify the 2022 Deficit Offset Proposal.
- VII. Proposed Resolutions
  - Item No.1: To Revised the AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION.
  - Item No.2: To Revised the Procedures for Acquisition or Disposal of Assets
  - Item No.3: The Issuance of Employee Restricted Stock Awards for Year 2023
- VIII. Motions
- IX. Meeting adjourned

## C. Report Items

### **Item No.1: 2022 Business Report.**

Explanatory Notes :

The Business Report of 2022 is attached hereto as attachment 1 in page 9 to 12.

### **Item No.2: 2022 Audit Committee's Review Report to the Financial Statement.**

Explanatory Notes :

The 2022 Business Report, Financial Report and Proposal for deficit offset prepared by the Board of Directors according to Article 118 of the M&AA and Article 228 of the Company Law, have been checked by the Audit Committee. And it is considered that there is no inconsistency. In accordance with Article 14-4 of the Securities Exchange Act and Section Article 118 of the M&AA, the Audit Committee Review Report is attached hereto as attachment 2 in page 13.

### **Item No.3: 2022 Director's Remuneration.**

Explanatory Notes :

1. According to Article 10-1 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, listed and OTC companies should report the remuneration received by directors at the shareholder's meeting, including the remuneration policy, the content of individual remuneration, the amount, and the correlation with performance evaluation results.
2. The remuneration of the directors of our company is determined by the Remuneration Committee, taking into account the market standards of the industry, individual performance, the company's operational performance, and the correlation with future risks, before being submitted to the Board of Directors for approval. The remuneration of our directors consists of a fixed amount and business expenses, while the remuneration of independent directors may be set at a reasonable amount that is different from that of the general directors. According to our company's AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION, if there is a pre-tax profit for the year, no more than two percent should be set aside from the pre-tax profit as director remuneration, subject to the approval of more than two-thirds of the directors present at the Board meeting and more than half of the attending directors. As our company had a pre-tax net loss in 2022, no director remuneration was allocated
3. For the content and amount of directors' remuneration paid by the company in 2022, please refer to attachment 3 on page 14 of the handbook.

## D. Ratification Items

### Item No.1: To Ratify the 2022 Financial Statements and Business Report.

(Ordinary Resolution)(Proposed by the Board of Directors)

Explanatory Notes :

1. The Consolidated Financial Statements of year 2022 has been audited by Shioh Ming Shue, CPA, Deloitte, and Ya Ling Wong, CPA, Deloitte.
2. The Business Report and the audited Consolidated Financial Statement of 2022 are attached hereto as attachment 1 in page 9 to 12; and attachment 4 in page 15 to 24.
3. It was hereby proposed to acknowledge the above-mentioned documents.

Resolution :

### Item No.2: To Ratify the 2022 Deficit Offset Proposal.

(Ordinary Resolution)(Proposed by the Board of Directors)

Explanatory Notes :

1. The Board of Directors compiles the 2022 deficit offset table as listed below :

#### TaiGen Biopharmaceuticals Holdings Limited

#### 2022 Deficit Offset Table

Unit : NT\$

Items	Amount
2021.12.31 Unappropriated earnings - beginning	777,533,147
Plus : Net Loss of 2022	(237,164,157)
Plus: Remeasurement of defined benefit plans	919,624
Minus : Reverse Special Reserve	(42,432,931)
Unappropriated earnings - ending	498,855,683

Chairman of the Board :

Kuo Lung Huang

Manager Officer :

Kuo Lung Huang

Head of the Accounting Dept. :

Mark Kao

2. The after-tax loss of 2022 is NT\$ 237,164,157, plus unappropriated earnings – beginning NT\$777,533,147, plus remeasurement of defined benefit plans NT\$919,624, and set aside special reserve NT\$42,432,931, the unappropriated earnings – ending balance is NT\$498,855,683.
3. Based on the fact that the company is at the stage of research and development of new drugs, and clinical costs will need to be paid in the future. Considering capital requirements, financial structure and steady principles of sustainable business operations, it is suggested to retain the full amount of surplus. Therefore, the undistributed surplus at the end of 2022 is NT\$498,855,683.
4. It was hereby proposed to acknowledge the above-mentioned documents.

Resolution :

## **E. Proposed Resolutions**

### **Item No.1: To Revise the AMENDMENTS AND RESTATED RESTATED MEMORANDUM OF ASSOCIATION.**

(Special Resolution)(Proposed by the Board of Directors)

Explanatory Notes :

1. Based on the regulations of the Cayman Islands 、OTC published announcements and the company's operational needs, we are proposing to revise certain provisions of our company's articles of association. Please refer to attachment 5 on pages 25 to 34 of the handbook for a comparison table of the revised and original articles.

Resolution :

### **Item No.2: To Revise the Procedures for Acquisition or Disposal of Assets.**

(Ordinary Resolution)(Proposed by the Board of Directors)

Explanatory Notes :

1. Based on the provisions of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" as amended and promulgated by the Financial Supervisory Commission on January 28, 2022, we propose to revise certain articles of our company's "Procedures for Acquisition or Disposal of Assets". Please refer to attachment 6 on pages 35 to 41 of the handbook for a comparison table of the revised and original articles.

Resolution :

### **Item No.3: To Approve the Issuance of Employee Restricted Stock Awards for Year 2023.**

(Supermajority Resolution)(Proposed by the Board of Directors)

Explanatory Notes :

1. In order to attract and retain talents that the company needs, and to motivate and reward employees to create benefits for the company and shareholders together, we plan to issue employee restricted stock awards in accordance with relevant regulations. The key points of this issuance are as follows,
  - A. Total amount of issuance: 3,000,000 shares of common stock will be issued.
  - B. Issuance conditions :
    - (A) Issue price: free of charge.
    - (B) Vesting conditions : Individuals must meet the personal performance or company operating goals established by the company's "2023 Employee Restricted Stock Awards Rules" and must not violate this issuance policy during the year.
    - (C) Handling of employees who do not meet the vesting conditions or who have inherited the stock options: If an employee does not meet the vesting conditions, the company will reclaim the stock options at no cost and cancel them. For other circumstances, the company will follow the guidelines established in the issuance policy
2. Qualifications of employees and the number of shares to be allocated to them :
  - A. The allocation of new shares to employees is limited to full-time regular employees of the Company and its subsidiaries (where the Company directly or indirectly holds more than 50% voting rights in the same invested company) who are on duty on the day of the new share issuance and have achieved certain performance targets.

- B. The actual number of new shares to be allocated to employees whose rights are restricted will be determined by the HR department, taking into account individual factors such as years of service, job level, work performance, overall contributions, special achievements, or other management-related considerations. After the plan is drafted, it will be submitted to the Chairman for approval and then presented to the Board of Directors for resolution. However, for employees with managerial positions, approval from the Remuneration Committee must be obtained first; for non-managerial employees, approval from the Audit Committee must be obtained first.
- C. The number of employee restricted stock awards granted to any employee by the Company will be processed in accordance with Regulations Governing the Offering and Issuance of Securities by Securities Issuers.
3. Restrictions on rights before meeting the conditions for obtaining the new shares: processed in accordance with Article 6 of the issuance regulations.
4. The necessity for implementing the employee restricted stock awards: The Company aims to attract and retain talent and to motivate and reward employees to work together to create benefits for the Company and its shareholders.
5. The potential amount of expenses that may be incurred, the dilution of earnings per share, and other impacts on shareholder equity :
- Based on an estimated closing price of NT\$15.60 per share as of February 17, 2023, the maximum amount of expenses that may be incurred if all conditions for obtaining the shares are met is NT\$46,800 thousand. Under the same assumption, the estimated annual expenses that may be incurred from 2023 to 2027 are approximately NT\$19,650 thousand, NT\$18,111 thousand, NT\$7,130 thousand, NT\$1,795 thousand, and NT\$114 thousand, respectively.
- Based on the total issued shares of 716,844,175 shares as of February 17th, 2023, the potential annual reduction in earnings per share for the Company from 2023 to 2027 is estimated to be approximately NT\$0.03, NT\$0.03, NT\$0.01, NT\$0.0025, and NT\$0.0002, respectively. As the dilution effect on the Company's earnings per share is currently limited, there is no significant impact on the shareholders' equity.
6. Other important matters :
- A. This regulation shall take effect upon approval by the competent authority, subject to the agreement of more than two-thirds of the directors present at the board meeting and with the agreement of over one-half of the attending directors. Any amendment to the regulation that limits the rights of employees before the issuance of new shares shall also be subject to the same approval process. If any revision is required during the review process by the competent authority, the Chairman is authorized to amend this regulation, and the issuance of shares shall be approved by the board of directors retroactively after the revision.
- B. Upon fulfillment of the conditions for release, the number of shares granted to employees and the date of allocation shall be subject to announcement by the Company. Please refer to the Company's announcement for relevant information regarding the allocation of shares to employees upon fulfillment of the conditions for release.
- C. Until the restricted shares granted to employees meet the conditions for release, their attendance, proposal, speech, voting rights, and other shareholder rights at the Company's shareholders' meetings shall be exercised by a trustee institution appointed by the Company.
- D. Any matters not covered by this regulation shall be handled in accordance with

relevant laws and regulations.

7. The company's employee restricted stock awards rules can be found in attachment 7 on pages 42 to 46 of the handbook.

Resolution :

## **F. Motions**

## **G. Adjournment**

# **Attachment**

**(Attachment 1)**

**Letter to Shareholders**

Dear shareholders,

After three years of the ongoing pandemic, various governments began adjusting their epidemic prevention policies and gradually reopening their countries by the end of 2022, and people's lives to slowly return to normal. Although our company's daily operations and research & development/clinical trials were not greatly affected during the pandemic, the entire pharmaceutical environment has changed to varying degrees due to the epidemic prevention measures implemented by governments and people worldwide. In response to these changes, our company has taken corresponding contingency measures and would like to report to shareholders at this shareholder meeting. The operational status for the year 2022 is as follows :

I · Business results for the year 2022

(I) Implementation results of the business plan

The combined operating revenue of our company in 2022 decreased compared to 2021, primarily due to the sale of our equity interest in Nemonoxacin to Zhejiang Medicine Co., Ltd. in China for \$45 million USD in 2021, as well as milestone payments of \$0-5 million USD for patent compensation. The total revenue for the year 2022 was NT\$36,230 thousand, and the total comprehensive loss for the year was NT\$278,677 thousand, with a loss per share of NT\$0.33. Research and development expenses accounted for NT\$237,524 thousand, accounting for 77% of total operating expenses, and a foreign exchange gain of NT\$51,788 thousand was redognized in non-operating income and expenses.

(II) Financial revenue and expenditure and profitability analysis

TaiGen is not only continuously investing in research and development, but also actively seeking commercial opportunities. The development of new drugs does not necessarily have to wait until obtaining a drug license to realize benefits. Each stage of the research and development process has its own commercial value. Therefore, introducing strategic partners in stages and jointly developing can often achieve greater benefits.

The following is the financial revenue and expenditure and profitability analysis details :

Unit : NTD thousand ; %

Item		2021	2022
Financial balance	Operating Revenue	1,294,522	36,230
	Operating Expenses	382,344	310,164
	Non-Operating Income and Expenses	(23,467)	47,905
	Comprehensive Income	771,479	(278,677)
Profitability analysis	Return on Assets	79.58%	(19.37%)
	Return on Equity	91.47%	(21.33%)
	Net Profit Margin	59.92%	(654.61%)
	Earnings Per Share	1.08	(0.33)

(III) Research and Development Status

The company's important drug research and development progress and achievements in 2022 are detailed as follows :

1. The new anti-bacterial drug, Taigexyn®(Nemonoxacin)

- (1) In January 2021, TaiGen applied to the National Health Insurance Administration for the reimbursement of the health insurance price of its new antibiotic drug, Taigexyn® (Nemonoxacin) intravenous infusion. After a year of review and negotiation, the health insurance price was approved in February 2022 at a rate of NT\$2,200 per bag, which

became effective on March 1 of the same year.

- (2) Russian partner R-Pharm submitted a Taigexyn® (Nemonoxacin) intravenous infusion drug application on December 28, 2020. The Russian regulatory authority, the Ministry of Industry and Trade (MIT), conducted an online GMP inspection from April 19 to 23, 2021. On October 11 of the same year, the official website announced that the factory had passed the inspection. The drug was officially approved for marketing by the Russian Ministry of Health in August 2022 after passing the drug review process.
  - (3) Taigexyn® (Nemonoxacin) was awarded the highest honor, the "Sustainable Excellence Award," at the 19th National Innovation Awards ceremony by Institute for Biotechnology and Medicine Industry. Taigexyn® (Nemonoxacin) has been developed in both oral and intravenous forms, with a global licensing presence in 36 countries. We collaborated with international strategic partners to obtain a total of five drug licenses in Taiwan, China, and Russia through licensing agreements. Taigexyn® (Nemonoxacin) has also been gradually included in the national health insurance systems in these countries.. Experts have recognized the complete capability of TaiGen Pharma in drug development and executing multicenter clinical trials, and consider it a benchmark for new drug development in Taiwan.
2. The new anti-influenza virus drug ( TG-1000 )
- (1) In August 2022, the TG-1000 phase II clinical trial was unblinded, revealing that patients who received TG-1000 treatment had a faster time to negative PCR results, shorter time for the virus to lose activity, and faster relief of symptoms compared to the placebo group. The safety profile was also good, and no serious adverse events were reported.
  - (2) Due to the phase II clinical trial study on adults meeting regulatory requirements from both the US FDA and China NMPA, the trial results can support the market authorization of TG-1000 in both Europe, America, and Asia. Currently, we are actively seeking partners to jointly conduct new drug clinical development.
  - (3) Patent layout: The substance patent has completed global application layout. In 2022, 9 cases including mainland China, Eurasia, Canada, Japan, and South Korea were approved, and a total of 14 material patents have been obtained, and the patent protection period is until 2039. In addition, TaiGen also submitted applications for process patents and dosage form patents to Taiwan and PCT (Patent Cooperation Treaty) in 2021 to strengthen the patent portfolio and protection of this product. In 2022, it has obtained the approval of process patents in Taiwan, and has obtained a total of 1 process patent, the protection period is until 2041.
3. Other new drug research and development projects
- (1) Anti-infective drugs refer to various medications used to treat infections caused by pathogens. Currently, the world is facing threats from both bacteria and viruses. The former has resulted in the emergence of antibiotic-resistant strains due to the overuse of antibiotics, while the latter has caused rapid mutations and rendered antiviral drugs ineffective. Both pose significant threats to patient health and even lead to increased mortality rates.  
New drug development needs to focus on long-standing unmet medical needs. To address these challenging issues, TaiGen is actively engaged in the research and development of anti-infective drugs. We hope to develop a series of anti-infective drugs in the future, so that TaiGen can have more diverse new drugs in the field of anti-infectives to safeguard public health.
  - (2) Autoimmune diseases are a type of special disease where the immune system attacks one's own cells, and currently there is no cure. It is the third most serious disease in our country and has a global incidence rate of about 4% to 5%. There are over 80 known

related diseases that, once contracted, will affect the organs and tissues of the entire body, causing severe and lifelong physical illness and economic burden. In severe cases, it may even lead to organ failure. TaiGen is currently working on the development of drugs for autoimmune diseases, hoping to develop a new generation of treatments to meet the unmet medical needs.

## II、Business plan for 2023

The main operating policies and strategies of the company in 2023 are as follows:

- (I) Accelerate the pace of self-development of new drugs. At present, the company has sorted out the crux of the bottleneck of new drug development in the past, and through strengthening the management of the R&D process to remove bottlenecks; in the future, it is expected to greatly reduce the time spent on selecting candidate drugs and preclinical trials. Time to speed up the time course of entering IND.
- (II) In addition to self-development, Jingjing expects to introduce new foreign drug candidates, directly entering IND and clinical trials is also one of the strategies to accelerate the commercialization of research and development products. Future and self-developed products are merged into twin engines, accelerating the momentum of the company's R&D and commercialization
- (III) Based on the company's R&D technology platform developed, the scope of new product development has been expanded include dietary supplement/health food, with the aim of developing supplements that truly meet human health needs.
- (IV) The influenza new drug TG-1000 has completed Phase II clinical trials with dual filings in China and the United States, and the effective dosage group has been selected. We are currently in communication with CDE in China regarding the various clinical protocols for entering Phase III trials. On the other hand, the results of the Phase II trial also support market development and authorization for TG-1000 in Europe, the United States, and Asia.
- (V) After obtaining a reimbursement price of NT\$2,200 per bag from the National Health Insurance Bureau on February 14, 2022, we will work with our authorized partner, HOLDING DISP. CO., LTD., to actively promote the work of injecting medicine at the hospital. Looking forward to significantly expanding the use of injectable and oral combination therapy in hospitals in the future.
- (VI) The Nemonoxacin injection has obtained official marketing authorization in Russia in August 2022. It is divided into two drug certificates for import and local manufacture. Currently, the company is discussing various plans for future market launch in Russia and local business operation models with R-Pharm.
- (VII) In terms of other research and development products, two indications have been selected for preclinical development. By strengthening processes and addressing bottlenecks, it should be possible to shorten the timeline for entering IND. Our company will also report to shareholders and investors through press releases or material information at appropriate times.

## III、Future company development strategy

- (I) Based on our in-house R&D, we also leverage resources from our partners, and seek opportunities for commercialization at different stages of product development, while sharing the results of our R&D.
- (II) The twin engines of product line development are formed by "in-house research and development" and "external introduction". Through BD's diverse external cooperation models, the timetable for drug commercialization can be accelerated, which can speed up

the company's operational turnover and momentum.

- (III) With Taiwan as the research and development center, coupled with the mainland operating platform established by TaiGen Beijing, it is committed to promoting the operating model in the Greater China region. At the same time, through continuous promotion of authorized regions, the business model will eventually be extended to the world.
- (IV) Based on the rich experience in the development of anti-infective drugs in the past, the field of product development will be promoted to health food, and then take root for the future operation foundation.

#### IV 、Affected by the external competitive environment, regulatory environment and overall business environment

After more than three years of global rampage by the COVID-19 virus, the pandemic is finally beginning to subside. However, during this period, the entire medical environment has been altered by the varying degrees of preventative measures taken by governments and citizens around the world. For example, the outbreak period and degree of diffusion of seasonal infectious diseases such as the flu have become more difficult to predict, which will pose more challenges to the development of relevant drugs. Therefore, strengthening a company's ability to respond quickly to environmental changes and effectively launching new product development strategies will be an important challenge that companies must face in the future.

Based on the above, TaiGen will continue to implement the strategy adjustments initiated since last year in order to accelerate the drug development timeline to meet the market demand for time to market. The company will also adopt more flexible business models to seize more opportunities for cooperation, while simultaneously addressing the challenges at hand.

The above are the important matters that I will report to all shareholders at this shareholders meeting. In the future, at an appropriate time, TaiGen will provide more comprehensive explanations to its shareholders and other investors through various channels in accordance with relevant regulations. Finally, we would like to thank all the shareholders for taking the time to participate in this shareholders' meeting and wish you all the best.

**TaiGen Biopharmaceuticals Holdings Limited**

**Chairman : Kuo-Lung Huang**

(Attachment 2)

## **Audit Committee's Review Report**

The Board of Directors has prepared the Company's 2022 Business, Financial Statements, and proposal for Deficit Offset. The CPA firm of Deloitte was retained to audit TaiGen's Financial Statements. The Business Report, Financial Statements, and Deficit Offset proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of TaiGen Biopharmaceuticals Holdings Limited. According to relevant requirements of the Securities and Exchange Act and the Company Law, we hereby submit this report.

TO  
2023 Annual General Meeting of Shareholders

**TaiGen Biopharmaceuticals Holdings Limited**  
Chairman of the Audit Committee : Weng-Foung Huang

On the date of Mar. 23, 2023

**(Attachment 3)****Remuneration of directors (including independent directors) (2022)**

Unit : NT\$ thousand

Title	Name	Remuneration								Amount and Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees						Amount and Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company		
		Base Compensation (A)		Severance Pay (B)		Directors Compensation (C)		Allowances (D)				Salary, Bonuses, and Allowances €		Severance Pay (F)		Employee Compensation (G)						
		The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	Cash	Stock	Cash	Stock		The company	Companies in the consolidated financial statements
Chairman	Kao Hsiang Investment Co., Ltd. Representative : Kuo-Lung Huang	0	0	0	0	0	0	21	21	21 (0.0089)	21 (0.0089)	0	7,817	0	0	0	0	2,345	0	21 (0.0089)	10,183 (4.2937)	None
Director	Kao Hsiang Investment Co., Ltd Representative : Hong-Jen Chang	71	71	0	0	0	0	12	12	83 (0.0350)	83 (0.0350)	0	0	0	0	0	0	0	0	83 (0.0350)	83 (0.0350)	None
Director	Kao Hsiang Investment Co., Ltd Representative : Peter Wu	71	71	0	0	0	0	12	12	83 (0.0350)	83 (0.0350)	0	0	0	0	0	0	0	0	83 (0.0350)	83 (0.0350)	None
Director	YFY Investment Co., Ltd.(Note 1) Representative : Hong-Jen Chang Representative : S.C. Ho	120	120	0	0	0	0	21	21	141 (0.0595)	141 (0.0595)	0	0	0	0	0	0	0	0	141 (0.0595)	141 (0.0595)	None
Director	S.C. Ho(Note 2)	49	49	0	0	0	0	9	9	58 (0.0245)	58 (0.0245)	0	0	0	0	0	0	0	0	58 (0.0245)	58 (0.0245)	None
Director	National Development Fund, Executive Yuan(Note 1) Representative : Yen-Hua Huang Representative : Chi-Kung Ho	120	120	0	0	0	0	15	15	135 (0.0569)	135 (0.0569)	0	0	0	0	0	0	0	0	135 (0.0569)	135 (0.0569)	None
Director	Taiwan Sugar Corporation Representative : Kuo-His Wang	120	120	0	0	0	0	18	18	138 (0.0582)	138 (0.0582)	0	0	0	0	0	0	0	0	138 (0.0582)	138 (0.0582)	None
Director	Ming-Chu Hsu(Note 2)	49	49	0	0	0	0	6	6	55 (0.0232)	55 (0.0232)	0	0	0	0	0	0	0	0	55 (0.0232)	55 (0.0232)	None
Independent Director	Weng-Foung Huang	1,000	1,000	0	0	0	0	86	86	1,086 (0.4579)	1,086 (0.4579)	0	0	0	0	0	0	0	0	1,086 (0.4579)	1,086 (0.4579)	None
Independent Director	Ye-Hong Zhang	1,000	1,000	0	0	0	0	66	66	1,066 (0.4495)	1,066 (0.4495)	0	0	0	0	0	0	0	0	1,066 (0.4495)	1,066 (0.4495)	None
Independent Director	Shen-Fu Yu	1,000	1,000	0	0	0	0	86	86	1,086 (0.4579)	1,086 (0.4579)	0	0	0	0	0	0	0	0	1,086 (0.4579)	1,086 (0.4579)	None

\* The content of the bonus revealed in this table is different from the concept of income in the Income Tax Law, so the purpose of this table is for informational disclosure and not for tax purposes.

Note 1 : After the director re-election on May 30, 2022, the institutional directors were reassigned as representatives, Hong-Jen Chang was changed to S.C. Ho, Yen-Hua Huang was changed to Chi-Kung Ho.

Note 2 : After the director re-election on May 30, 2022, the director no longer serves as an individual director.

Note 3 : After-tax net profit refers to the after-tax net profit of the 2022 consolidated financial report. (The company is a KY company and only needs to issue a consolidated financial report)

Note 4 : In addition to the disclosure in the above table, the remuneration received by the directors for providing services to all companies in the financial statements (such as serving as consultants who are not employees, etc.) in the most recent year: None.

## **(Attachment 4) Audited Financial Statements for Year 2022**

### **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
TaiGen Biopharmaceuticals Holdings Ltd.

#### **Opinion**

We have audited the accompanying consolidated financial statements of TaiGen Biopharmaceuticals Holdings Ltd. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, 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 a summary of significant accounting policies (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, 2022 and 2021, 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, 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 Auditing and Attestation of Financial Statements by 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, 2022. 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 matter identified in the audit of the Group's consolidated financial statements as of and for the year ended December 31, 2022 is as follows:

#### Existence of Bank Deposit

As of December 31, 2022, the Group's checking account deposits, demand deposits and time deposits with original maturities of three months or less amounted to \$243,105 thousand (classified as cash and cash equivalents). In addition, the total amount of time deposits with an original maturity of more than three months and reserve account deposits amounted to \$447,223 thousand (classified as financial assets at amortized cost). The above-mentioned amount represented 66% of the Group's total assets, which is significant. Therefore, we considered the existence of bank deposits as a key audit matter.

The main audit procedures we conducted were as follows:

1. We selected samples of the supporting documents for large inflows and outflows of cash and bank deposits, and examined the proper approvals and note any exceptions.
2. We obtained details of bank deposit accounts with outstanding balances and verified to the general ledger and the bank statements.
3. We sent bank confirmations to all correspondent banks, verified the existence of bank deposit balances to bank confirmation responses, and examined bank confirmation responses for any restrictions.
4. We evaluated that bank deposits were properly classified and disclosed in the consolidated financial statements.

#### **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, 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, 2022 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 Shiow-Ming Shue and Ya-Ling Wong.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 23, 2023

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.*

# TAIGEN BIOPHARMACEUTICALS HOLDINGS LTD. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

ASSETS	2022		2021	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 243,109	23	\$ 364,931	26
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	64,385	6	64,085	5
Financial assets at fair value through other comprehensive income - current (Notes 4 and 9)	144,784	14	-	-
Financial assets at amortized cost - current (Notes 4, 8 and 27)	447,223	43	495,379	35
Accounts receivable (Notes 4, 10 and 18)	18,414	2	278,278	20
Other receivables	5,295	1	1,329	-
Inventories (Notes 4 and 11)	15,351	1	17,876	1
Prepaid value-added tax	3,084	-	1,284	-
Other current assets	<u>7,590</u>	<u>1</u>	<u>8,836</u>	<u>1</u>
Total current assets	<u>949,235</u>	<u>91</u>	<u>1,231,998</u>	<u>88</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 9)	23,980	2	53,896	4
Investments accounted for using equity method (Notes 4 and 13)	-	-	-	-
Property, plant and equipment (Notes 4 and 14)	21,502	2	27,016	2
Right-of-use assets (Notes 4 and 15)	35,101	3	53,416	4
Intangible assets (Notes 4 and 16)	11,013	1	20,319	2
Refundable deposits	<u>6,176</u>	<u>1</u>	<u>6,158</u>	<u>-</u>
Total non-current assets	<u>97,772</u>	<u>9</u>	<u>160,805</u>	<u>12</u>
<b>TOTAL</b>	<u>\$ 1,047,007</u>	<u>100</u>	<u>\$ 1,392,803</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Notes 4, 17 and 27)	\$ 3,000	-	\$ -	-
Receipts in advance - current (Notes 4 and 18)	152	-	176	-
Other payables	25,855	3	43,037	3
Current tax liabilities (Notes 4 and 22)	3,071	-	27,860	2
Lease liabilities - current (Notes 4 and 15)	18,341	2	17,987	1
Other current liabilities	<u>901</u>	<u>-</u>	<u>815</u>	<u>-</u>
Total current liabilities	<u>51,320</u>	<u>5</u>	<u>89,875</u>	<u>6</u>
<b>NON-CURRENT LIABILITIES</b>				
Receipts in advance - non-current (Notes 4 and 18)	482	-	615	-
Lease liabilities - non-current (Notes 4 and 15)	17,130	1	35,471	3
Net defined benefit liabilities (Notes 4 and 19)	<u>8,046</u>	<u>1</u>	<u>13,151</u>	<u>1</u>
Total non-current liabilities	<u>25,658</u>	<u>2</u>	<u>49,237</u>	<u>4</u>
Total liabilities	<u>76,978</u>	<u>7</u>	<u>139,112</u>	<u>10</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 20)</b>				
Ordinary shares	<u>20,910</u>	<u>2</u>	<u>20,910</u>	<u>1</u>
Capital surplus	<u>450,263</u>	<u>43</u>	<u>455,248</u>	<u>33</u>
Retained earnings				
Special reserve	765	-	1,495	-
Unappropriated earnings	<u>541,289</u>	<u>52</u>	<u>776,803</u>	<u>56</u>
Total retained earnings	<u>542,054</u>	<u>52</u>	<u>778,298</u>	<u>56</u>
Other equity	<u>(43,198)</u>	<u>(4)</u>	<u>(765)</u>	<u>-</u>
Total equity	<u>970,029</u>	<u>93</u>	<u>1,253,691</u>	<u>90</u>
<b>TOTAL</b>	<u>\$ 1,047,007</u>	<u>100</u>	<u>\$ 1,392,803</u>	<u>100</u>

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

# TAIGEN BIOPHARMACEUTICALS HOLDINGS LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars, Except (Loss) Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 5 and 18)	\$ 36,230	100	\$ 1,294,522	100
OPERATING COSTS (Notes 11, 16 and 18)	<u>3,736</u>	<u>10</u>	<u>12,720</u>	<u>1</u>
GROSS PROFIT	<u>32,494</u>	<u>90</u>	<u>1,281,802</u>	<u>99</u>
OPERATING EXPENSES (Notes 19 and 21)				
General and administrative expenses	72,640	200	99,061	7
Research and development expenses	<u>237,524</u>	<u>656</u>	<u>283,283</u>	<u>22</u>
Total operating expenses	<u>(310,164)</u>	<u>(856)</u>	<u>(382,344)</u>	<u>(29)</u>
(LOSS) PROFIT FROM OPERATIONS	<u>(277,670)</u>	<u>(766)</u>	<u>899,458</u>	<u>70</u>
NON-OPERATING INCOME AND EXPENSES				
Other income	9	-	41	-
Finance costs	(854)	(3)	(244)	-
Share of loss of associates (Note 13)	-	-	(23,244)	(2)
Interest income	8,723	24	4,229	-
Loss on disposal of property, plant and equipment	-	-	(84)	-
Gain on financial assets at fair value through profit or loss, net	300	1	79	-
Foreign exchange gain (loss), net	51,788	143	(4,244)	-
Impairment loss on intangible assets (Note 16)	<u>(12,061)</u>	<u>(33)</u>	<u>-</u>	<u>-</u>
Net non-operating income and expenses	<u>47,905</u>	<u>132</u>	<u>(23,467)</u>	<u>(2)</u>
(LOSS) PROFIT BEFORE INCOME TAX	<u>(229,765)</u>	<u>(634)</u>	<u>875,991</u>	<u>68</u>
INCOME TAX EXPENSE (Notes 4 and 22)	<u>(7,399)</u>	<u>(21)</u>	<u>(100,373)</u>	<u>(8)</u>
NET (LOSS) PROFIT FOR THE YEAR	<u>(237,164)</u>	<u>(655)</u>	<u>775,618</u>	<u>60</u>

(Continued)

# TAIGEN BIOPHARMACEUTICALS HOLDINGS LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars, Except (Loss) Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
OTHER COMPREHENSIVE LOSS (Notes 4, 13 and 19)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	\$ 920	3	\$ 1,185	-
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	(29,916)	(83)	1,004	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(8,399)	(23)	3,391	1
Unrealized loss on investments in debt instruments at fair value through other comprehensive income	(4,118)	(11)	-	-
Share of the other comprehensive loss of associates accounted for using the equity method	-	-	(9,719)	(1)
Other comprehensive loss for the year	(41,513)	(114)	(4,139)	-
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE YEAR	<u>\$ (278,677)</u>	<u>(769)</u>	<u>\$ 771,479</u>	<u>60</u>
NET (LOSS) PROFIT ATTRIBUTABLE TO				
Owners of the Company	\$ (237,164)	(655)	\$ 775,618	60
Non-controlling interests	-	-	-	-
	<u>\$ (237,164)</u>	<u>(655)</u>	<u>\$ 775,618</u>	<u>60</u>
TOTAL COMPREHENSIVE (LOSS) INCOME ATTRIBUTABLE TO				
Owners of the Company	\$ (278,677)	(769)	\$ 771,479	60
Non-controlling interests	-	-	-	-
	<u>\$ (278,677)</u>	<u>(769)</u>	<u>\$ 771,479</u>	<u>60</u>
(LOSS) EARNINGS PER SHARE (Note 23)				
Basic	<u>\$ (0.33)</u>		<u>\$ 1.08</u>	
Diluted			<u>\$ 1.08</u>	

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

(Concluded)

**TAIGEN BIOPHARMACEUTICALS HOLDINGS LTD. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021  
(In Thousands of New Taiwan Dollars)**

	<u>Ordinary Shares (Note 20)</u>		<u>Capital Surplus (Notes 4 and 19)</u>	<u>Retained Earnings (Note 20)</u>		<u>Other Equity (Note 4)</u>			<u>Total Equity</u>
	<u>Shares in Thousands</u>	<u>Amounts</u>		<u>Special Reserve</u>	<u>(Accumulated Deficits) Unappropriated Earnings</u>	<u>Unrealized Gain (Loss) on Investment in Equity Investment at Fair Value Through Other Comprehensive Income</u>	<u>Unrealized Loss on Investments in Debt Instruments at Fair Value Through Other Comprehensive Income</u>	<u>Exchange Differences on Translation of the Financial Statements of Foreign Operations</u>	
BALANCE, JANUARY 1, 2021	716,844	\$ 20,910	\$ 716,920	\$ 1,495	\$ (301,703)	\$ 17,213	\$ -	\$ (12,654)	\$ 442,181
Share-based compensation cost	-	-	40,031	-	-	-	-	-	40,031
Capital surplus used to cover accumulated deficit	-	-	(301,703)	-	301,703	-	-	-	-
Net profit for 2021	-	-	-	-	775,618	-	-	-	775,618
Other comprehensive income (loss) for 2021	-	-	-	-	1,185	1,004	-	(6,328)	(4,139)
Total comprehensive income (loss) for 2021	-	-	-	-	776,803	1,004	-	(6,328)	771,479
BALANCE, DECEMBER 31, 2021	716,844	20,910	455,248	1,495	776,803	18,217	-	(18,982)	1,253,691
Share-based compensation cost	-	-	(4,985)	-	-	-	-	-	(4,985)
Reversal of special reserve	-	-	-	(730)	730	-	-	-	-
Net loss for 2022	-	-	-	-	(237,164)	-	-	-	(237,164)
Other comprehensive income (loss) for 2022	-	-	-	-	920	(29,916)	(4,118)	(8,399)	(41,513)
Total comprehensive income (loss) for 2022	-	-	-	-	(236,244)	(29,916)	(4,118)	(8,399)	(278,677)
BALANCE, DECEMBER 31, 2022	716,844	\$ 20,910	\$ 450,263	\$ 765	\$ 541,289	\$ (11,699)	\$ (4,118)	\$ (27,381)	\$ 970,029

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

# TAIGEN BIOPHARMACEUTICALS HOLDINGS LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net (loss) profit before income tax	\$ (229,765)	\$ 875,991
Adjustments for:		
Depreciation expense	27,226	27,022
Amortization expense	1,319	1,842
Intangible assets transfer to operating cost	-	9,797
Net gain on fair value change of financial assets at fair value through profit or loss	(300)	(79)
Finance costs	854	244
Interest income	(8,723)	(4,229)
Share-based compensation cost	(4,985)	40,031
Share of loss of associates	-	23,244
Loss on disposal of property, plant and equipment	-	84
Impairment loss on intangible assets	12,061	-
(Reversal of) write-down of inventories	(762)	1,125
Unrealized (gain) loss on foreign currency exchange	(27,427)	5,269
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	-	8,698
Accounts receivable	260,019	(272,800)
Other receivables	128	239
Inventories	3,287	(4,349)
Prepaid value-added tax	(1,798)	26,293
Other current assets	1,401	1,353
Other payables	(17,325)	10,489
Receipts in advance	(157)	(44,409)
Other current liabilities	82	(40)
Net defined benefit liabilities	(4,185)	(4,233)
Income tax paid	(32,219)	(72,513)
Net cash (used in) generated from operating activities	<u>(21,269)</u>	<u>629,069</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	(140,158)	-
Purchase of financial assets measured at cost	(463,415)	(927,856)
Proceeds from sale of financial assets measured at cost	521,956	629,787
Payments for property, plant and equipment	(3,390)	(10,236)
Proceeds from disposal of property, plant and equipment	-	105
Increase in intangible assets	(4,074)	(1,596)
Increase in other receivables	(476)	-
Interest received	<u>4,604</u>	<u>3,727</u>
Net cash used in investing activities	<u>(84,953)</u>	<u>(306,069)</u>

(Continued)

# TAIGEN BIOPHARMACEUTICALS HOLDINGS LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

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	2022	2021
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	\$ 3,000	\$ -
Repayment of the principal portion of lease liabilities	(17,987)	(18,605)
Payments for interests	<u>(854)</u>	<u>(244)</u>
Net cash used in financing activities	<u>(15,841)</u>	<u>(18,849)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>241</u>	<u>(73)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(121,822)	304,078
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>364,931</u>	<u>60,853</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 243,109</u>	<u>\$ 364,931</u>

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

(Conclude)

(Attachment 5)

**Comparison Table for the AMENDMENTS AND RESTATED RESTATED MEMORANDUM OF ASSOCIATION**

Item No	New version proposed to Members	Current version	Explanations
Document name	THE COMPANIES <b>ACT (AS REVISED)</b> OF THE CAYMAN ISLANDS COMPANY LIMITED BY SHARES AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION OF TaiGen Biopharmaceuticals Holdings Limited(Hereinafter omitted)	THE COMPANIES LAW(2018 REVISION) OF THE CAYMAN ISLANDS COMPANY LIMITED BY SHARES AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION OF TaiGen Biopharmaceuticals Holdings Limited(Hereinafter omitted)	Adjust the content to match the name of the Cayman Islands regulations, and correct the name of the document.
4	Except as prohibited or limited by the Companies <b>Act</b> , the Company shall have full power and authority to carry out any object and shall have and be capable of from time to time and at all times exercising any and all of the powers at any time or from time to time exercisable by a natural person or body corporate in doing in any part of the world whether as principal, agent, contractor or otherwise whatever may be considered by it necessary for the attainment of its objects and whatever else may be considered by it as incidental or conducive thereto or consequential thereon, including, but without in any way restricting the generality of the foregoing, the power to make any alterations or amendments to this Memorandum of Association and the Articles of Association of the Company considered necessary or convenient in the manner set out in the Articles of Association of the Company, and the power to do any of the following acts or things, viz: to pay all expenses of and incidental to the promotion, formation and incorporation of the Company; to register the Company to do business in any other jurisdiction; to sell, lease or dispose of any property of the Company; to draw, make, accept, endorse, discount, execute and issue promissory notes, debentures, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; to lend money or other assets and to act as guarantors; to borrow or raise money on the security of the	Except as prohibited or limited by the Companies Law, the Company shall have full power and authority to carry out any object and shall have and be capable of from time to time and at all times exercising any and all of the powers at any time or from time to time exercisable by a natural person or body corporate in doing in any part of the world whether as principal, agent, contractor or otherwise whatever may be considered by it necessary for the attainment of its objects and whatever else may be considered by it as incidental or conducive thereto or consequential thereon, including, but without in any way restricting the generality of the foregoing, the power to make any alterations or amendments to this Memorandum of Association and the Articles of Association of the Company considered necessary or convenient in the manner set out in the Articles of Association of the Company, and the power to do any of the following acts or things, viz: to pay all expenses of and incidental to the promotion, formation and incorporation of the Company; to register the Company to do business in any other jurisdiction; to sell, lease or dispose of any property of the Company; to draw, make, accept, endorse, discount, execute and issue promissory notes, debentures, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; to lend money or other assets and to act as guarantors; to borrow or raise money on the security of the	Adjust the content to match the name of the Cayman Islands regulations, and correct the name of the document.

Item No	New version proposed to Members	Current version	Explanations
	<p>undertaking or on all or any of the assets of the Company or without security; to invest monies of the Company in such manner as the Board determines; to promote other companies; to sell the undertaking of the Company for cash or any other consideration; to distribute assets in specie to Members of the Company; to make charitable or benevolent donations; to pay pensions or gratuities or provide other benefits in cash or kind to Directors, officers and employees, past or present; to purchase Directors and officers liability insurance and to carry on any trade or business and generally to do all acts and things which, in the opinion of the Company or the Board, may be conveniently or profitably or usefully acquired and dealt with, carried on, executed or done by the Company in connection with the business aforesaid PROVIDED THAT the Company shall only carry on the businesses for which a license is required under the laws of the Cayman Islands when so licensed under the terms of such laws.</p>	<p>undertaking or on all or any of the assets of the Company or without security; to invest monies of the Company in such manner as the Board determines; to promote other companies; to sell the undertaking of the Company for cash or any other consideration; to distribute assets in specie to Members of the Company; to make charitable or benevolent donations; to pay pensions or gratuities or provide other benefits in cash or kind to Directors, officers and employees, past or present; to purchase Directors and officers liability insurance and to carry on any trade or business and generally to do all acts and things which, in the opinion of the Company or the Board, may be conveniently or profitably or usefully acquired and dealt with, carried on, executed or done by the Company in connection with the business aforesaid PROVIDED THAT the Company shall only carry on the businesses for which a license is required under the laws of the Cayman Islands when so licensed under the terms of such laws.</p>	
6	<p>The share capital of the Company is US\$1,122,514.160 divided into 1,122,514,160 shares of Common Shares of a nominal or par value of US\$0.001 each with power for the Company insofar as is permitted by law, to redeem or purchase any of its shares and to increase or reduce the said capital subject to the provisions of the Companies <u>Act</u> and the Articles of Association and to issue any part of its capital, whether original, redeemed or increased with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether declared to be preference or otherwise shall be subject to the powers hereinbefore contained PROVIDED ALWAYS that, notwithstanding any provision to the contrary contained in this Memorandum of association, the Company shall have no power to issue bearer shares, warrants , coupons or certificates.</p>	<p>The share capital of the Company is US\$1,122,514.160 divided into 1,122,514,160 shares of Common Shares of a nominal or par value of US\$0.001 each with power for the Company insofar as is permitted by law, to redeem or purchase any of its shares and to increase or reduce the said capital subject to the provisions of the Companies Law and the Articles of Association and to issue any part of its capital, whether original, redeemed or increased with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether declared to be preference or otherwise shall be subject to the powers hereinbefore contained PROVIDED ALWAYS that, notwithstanding any provision to the contrary contained in this Memorandum of association, the Company shall have no power to issue bearer shares, warrants , coupons or certificates.</p>	<p>Adjust the content to match the name of the Cayman Islands regulations, and correct the name of the document.</p>
7	<p>If the Company is registered as exempted, its operations will be</p>	<p>If the Company is registered as exempted, its operations will be</p>	<p>Adjust the content to</p>

Item No	New version proposed to Members	Current version	Explanations
	carried on subject to the provisions of Section 174 of the Companies <u>Act</u> and, subject to the provisions of the Companies <u>Act</u> and the Articles of Association, it shall have the power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.	carried on subject to the provisions of Section 174 of the Companies Law and, subject to the provisions of the Companies Law and the Articles of Association, it shall have the power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.	match the name of the Cayman Islands regulations, and correct the name of the document.
Document name	THE COMPANIES <u>ACT (AS REVISED)</u> OF THE CAYMAN ISLANDS <u>EXEMPTED</u> COMPANY LIMITED BY SHARES AMENDED AND RESTATED ARTICLES OF ASSOCIATION OF TaiGen Biopharmaceuticals Holdings Limited (Hereinafter omitted)	THE COMPANIES LAW(2018 REVISION) OF THE CAYMAN ISLANDS COMPANY LIMITED BY SHARES AMENDED AND RESTATED ARTICLES OF ASSOCIATION OF TaiGen Biopharmaceuticals Holdings Limited (Hereinafter omitted)	In line with the adjustment of the name of the Cayman Islands regulations, the name of the company's articles of association is amended.
1. Definition of "Companies Law"	"Companies <u>Act</u> " means the Companies <u>Act (As Revised)</u> of the Cayman Islands.	"Companies Law" means the Companies Law (2018 Revision) of the Cayman Islands.	Adjust the content to match the name of the Cayman Islands regulations.
1. Definition of "Statue"	"Statue" means the Companies <u>Act</u> of the Cayman Islands as amended and every statutory modification or re-enactment thereof for the time being in force.	"Statue" means the Companies Law of the Cayman Islands as amended and every statutory modification or re-enactment thereof for the time being in force.	Adjust the content to match the name of the Cayman Islands regulations.
7.(c)	The Company may resolve by a Supermajority Resolution to issue Shares with restrictions on transferability and/or other rights ("Restricted Shares") to employees <u>of the Company and its Subsidiary(ies)</u> . In respect of the issuance of Restricted Shares for employees, the number of Shares to be issued, issue price, issue conditions and other matters shall be subject to the Applicable Law.	The Company may resolve by a Supermajority Resolution to issue Shares with restrictions on transferability and/or other rights ("Restricted Shares") to employees. In respect of the issuance of Restricted Shares for employees, the number of Shares to be issued, issue price, issue conditions and other matters shall be subject to the Applicable Law.	In consideration of our company's employee incentive policies, we have decided to expand the eligibility for the issuance of employee restricted stock awards.
27	(a) The Company shall in each year hold a general meeting as its annual general meeting no later than six (6) Months after the close of each financial year. General meetings other than annual general meetings shall be called extraordinary general meetings. <b>(b) Subject to compliance with the laws of the Cayman</b>	(a) The Company shall in each year hold a general meeting as its annual general meeting no later than six (6) Months after the close of each financial year. General meetings other than annual general meetings shall be called extraordinary general meetings. (b) General meetings of the Company shall be convened by the	In accordance with Article 172-2 of the Company Act of Taiwan and the Ref. No. 11101004091 announcement of OTC

Item No	New version proposed to Members	Current version	Explanations
	<p><b><u>Islands, a meeting of the shareholders of the Company may be held via video conference or in such other manner as published by the Ministry of Economic Affairs. Where such meeting is held via video conference, a shareholder who has legally and validly attended such meeting via video conference shall be deemed to have attended the meeting in person.</u></b></p> <p>(c) General meetings of the Company shall be convened by the Board and may be held at such time and place as may be determined the Board. <b>The physical general</b> meeting shall be convened in the ROC, and may be convened outside the territory of the ROC only if an application has been submitted to the Designated Stock Market for approval within two (2) days after the date of the Board resolve to convene such meeting, and such approval has been obtained by the Company.</p> <p>(d) When a general meeting is convened outside the territory of the ROC, the Company shall appoint an agent of stock affairs within the ROC to administer and handle affairs relating to voting by Members at such general meeting.</p> <p>(e) To the maximum extent permitted under the laws of the Cayman Islands and the Statute, the Members may, by Ordinary Resolution, adopt or amend any rules and procedures, including the Procedural Rules of General Meeting of Members governing the general meeting of the Members. In the event of any inconsistency between the main content of these Articles and the Procedural Rules of General Meeting of Members, the Articles shall prevail to the extent required by any Applicable Law.</p>	<p>Board and may be held at such time and place as may be determined the Board. Such meeting shall be convened in the ROC, and may be convened outside the territory of the ROC only if an application has been submitted to the Designated Stock Market for approval within two (2) days after the date of the Board resolve to convene such meeting, and such approval has been obtained by the Company.</p> <p>(c) When a general meeting is convened outside the territory of the ROC, the Company shall appoint an agent of stock affairs within the ROC to administer and handle affairs relating to voting by Members at such general meeting.</p> <p>(d) To the maximum extent permitted under the laws of the Cayman Islands and the Statute, the Members may, by Ordinary Resolution, adopt or amend any rules and procedures, including the Procedural Rules of General Meeting of Members governing the general meeting of the Members. In the event of any inconsistency between the main content of these Articles and the Procedural Rules of General Meeting of Members, the Articles shall prevail to the extent required by any Applicable Law.</p>	<p>on 2022/3/15, we have added provisions related to video shareholder meetings.</p>
32(a)	<p>The Board shall prepare a manual setting out the agenda of a general meeting of Members (including all the subjects and matters to be resolved at the meeting) and for as long as the Company's Shares are listed on the Designated Stock Market shall make public announcement(s) in a manner permitted by</p>	<p>The Board shall prepare a manual setting out the agenda of a general meeting of Members (including all the subjects and matters to be resolved at the meeting) and for as long as the Company's Shares are listed on the Designated Stock Market shall make public announcement(s) in a manner permitted by</p>	<p>Revised in accordance with the Ref. No. 11101004091 announcement of OTC on 2022/3/15.</p>

Item No	New version proposed to Members	Current version	Explanations
	<p>Applicable Law to disclose the contents of such manual together with other information related to the said meeting at least twenty-one (21) days prior to the date of the relevant annual general meeting and at least fifteen (15) days prior to the date of the relevant extraordinary general meeting. Such manual shall at all times be distributed to the Members attending the general meeting in person, by proxy or by corporate representative(s) (where the Member is a corporation) at the general meeting.</p> <p><b><u>Notwithstanding the above, where the paid-in capital of the Company as of the last day of the most recent fiscal year exceeded NT\$ 10 billion or the foreign and PRC shareholders hold in aggregate more than 30% of issued Shares of the Company as recorded in the Register of Members as of the date of the annual general meeting held during the most recent fiscal year, the abovementioned manual together with other information related to the relevant general meeting shall be circulated electronically no later than 30 days before the date of the annual general meeting.</u></b></p>	<p>Applicable Law to disclose the contents of such manual together with other information related to the said meeting at least twenty-one (21) days prior to the date of the relevant annual general meeting and at least fifteen (15) days prior to the date of the relevant extraordinary general meeting. Such manual shall at all times be distributed to the Members attending the general meeting in person, by proxy or by corporate representative(s) (where the Member is a corporation) at the general meeting.</p>	
47	<p>(a) any proposal of the Company to enter into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contracts;</p> <p>(b) any proposal to transfer or dispose of the whole or any substantial part of the Company's business or assets;</p> <p>(c) any proposal to acquire the whole of the business or assets of a third-party, which will have material effect on the operations of the Company;</p> <p>(d) upon recommendation of the Board, any proposal to distribute Dividends or other distributions in whole or in part by way of issuance of new Shares of the Company; for the avoidance of doubts, the allotment of bonus shares in connection with the Employees' Remunerations and Directors' Remunerations</p>	<p>Subject to any additional and applicable requirements under the Statute, the following matters require approval of the Members by way of a Supermajority Resolution:</p> <p>(a) any proposal of the Company to enter into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contracts;</p> <p>(b) any proposal to transfer or dispose of the whole or any substantial part of the Company's business or assets;</p> <p>(c) any proposal to acquire the whole of the business or assets of a third-party, which will have material effect on the operations of the Company;</p> <p>(d) upon recommendation of the Board, any proposal to distribute Dividends or other distributions in whole or in part by way of issuance of new Shares of the</p>	<p>Revised in accordance with the Ref. No. 11200504512 announcement of OTC on 2023/1/17.</p>

Item No	New version proposed to Members	Current version	Explanations
	<p>pursuant to Article 112 shall not require the approval of a Supermajority Resolution;</p> <p>(e) any Merger, split-off or share swap (as defined in the Applicable Listing Rules) of the Company, provided that any Merger which falls within the definition of "merger and/or consolidation" under the Statute shall also be subject to the requirements of the Statute in addition to the requirements of these Articles;</p> <p>(f) any issuance of Restricted Shares for employees; and</p> <p>(g) any proposal for the Company's Shares to stop being publicly traded.</p> <p>For the avoidance of doubt, in case a Merger general assumption, share swap or spin-off is a Delisting, Article 48 shall apply.</p> <p><b><u>Where a Member was present at the general meeting but abstained from voting his/her Shares in accordance with Paragraph (b) of Article 61 in respect of any resolution relating to paragraph (e) of Article 47, such Shares which were present but not voted for or against such resolution shall not be counted in the total number of votes present at the meeting for such particular resolution.</u></b></p>	<p>Company; for the avoidance of doubts, the allotment of bonus shares in connection with the Employees' Remunerations and Directors' Remunerations pursuant to Article 112 shall not require the approval of a Supermajority Resolution;</p> <p>(e) any Merger, split-off or share swap (as defined in the Applicable Listing Rules) of the Company, provided that any Merger which falls within the definition of "merger and/or consolidation" under the Statute shall also be subject to the requirements of the Statute in addition to the requirements of these Articles;</p> <p>(f) any issuance of Restricted Shares for employees; and</p> <p>(g) any proposal for the Company's Shares to stop being publicly traded.</p> <p>For the avoidance of doubt, in case a Merger general assumption, share swap or spin-off is a Delisting, Article 48 shall apply.</p>	
55	<p>To the extent permitted by Applicable Law and notwithstanding any provisions provided in these Articles, the Board shall allow Members not attending and voting at a general meeting in person, by proxy or by corporate representatives (where a Member is a corporation), to exercise their voting power and cast their votes by a Written instrument approved by the Board or by way of electronic transmission (as provided under the ROC Electronic Signatures Act) two (2) days prior to commencement of the general meeting. If the voting power may be exercised In Writing or by way of electronic transmission, the method for exercising the voting power shall be described in the notice of the general meeting to be given to the Members.</p>	<p>To the extent permitted by Applicable Law and notwithstanding any provisions provided in these Articles, the Board shall allow Members not attending and voting at a general meeting in person, by proxy or by corporate representatives (where a Member is a corporation), to exercise their voting power and cast their votes by a Written instrument approved by the Board or by way of electronic transmission (as provided under the ROC Electronic Signatures Act) two (2) days prior to commencement of the general meeting. If the voting power may be exercised In Writing or by way of electronic transmission, the method for exercising the voting power shall be described in the notice of the general meeting to be given to</p>	Chinese text modification

Item No	New version proposed to Members	Current version	Explanations
	<p>Those Members who have voted In Writing or by way of electronic transmission mentioned in the foregoing shall, for purposes of these Articles and the Statute, be deemed to have appointed the chairman of the general meeting as their proxy to vote their Shares at the general meeting in the manner directed by the Written instrument or electronic document. The chairman as proxy shall not have the power to exercise the voting rights of such Members with respect to any matters not referred to or indicated in the Written or electronic document and/or any amendment to resolution(s) proposed at the general meeting, and the Members shall be deemed to have waived their voting rights with respect to any extemporary matters or amendment to resolution(s) proposed at the general meeting. A Member shall submit his or her vote by way of Written ballot or electronic transmission to the Company at least two (2) days prior to the scheduled meeting date of the general meeting; whereas if two (2) or more such Written ballot or electronic transmission are submitted to the Company, the first Written ballot or transmission shall prevail unless it is expressly included in the subsequent vote by Written ballot or electronic transmission that the original vote submitted by Written ballot or electronic transmission be revoked.</p>	<p>the Members. Those Members who have voted In Writing or by way of electronic transmission mentioned in the foregoing shall, for purposes of these Articles and the Statute, be deemed to have appointed the chairman of the general meeting as their proxy to vote their Shares at the general meeting in the manner directed by the Written instrument or electronic document. The chairman as proxy shall not have the power to exercise the voting rights of such Members with respect to any matters not referred to or indicated in the Written or electronic document and/or any amendment to resolution(s) proposed at the general meeting, and the Members shall be deemed to have waived their voting rights with respect to any extemporary matters or amendment to resolution(s) proposed at the general meeting. A Member shall submit his or her vote by way of Written ballot or electronic transmission to the Company at least two (2) days prior to the scheduled meeting date of the general meeting; whereas if two (2) or more such Written ballot or electronic transmission are submitted to the Company, the first Written ballot or transmission shall prevail unless it is expressly included in the subsequent vote by Written ballot or electronic transmission that the original vote submitted by Written ballot or electronic transmission be revoked.</p>	
56	<p>Where a Member has exercised the voting power and has cast its votes by Written instrument or by way of electronics transmission intends to attend the meeting physically in person <b>or via video conference</b>, such Member shall send a separate Written declaration of intention to rescind and revoke the votes casted by way of Written instrument or electronic transmission to the Company, whichever was previously exercised by the Member, two (2) days prior to the date of the general meeting failing which, the Member shall be deemed to have waived his right to attend and vote at the relevant general meeting in person, the deemed appointment by the Member of the chairman as proxy shall remain valid and the Company shall not count</p>	<p>Where a Member has exercised the voting power and has cast its votes by Written instrument or by way of electronics transmission intends to attend the meeting physically in person, such Member shall send a separate Written declaration of intention to rescind and revoke the votes casted by way of Written instrument or electronic transmission to the Company, whichever was previously exercised by the Member, two (2) days prior to the date of the general meeting failing which, the Member shall be deemed to have waived his right to attend and vote at the relevant general meeting in person, the deemed appointment by the Member of the chairman as proxy shall remain valid and the Company shall not count any votes cast by</p>	<p>Revised in accordance with the Ref. No. 11100543771 announcement of the OTC on 2022/3/11, and in response to the new provisions related to video shareholder meetings.</p>

Item No	New version proposed to Members	Current version	Explanations
	any votes cast by such Member physically at the relevant general meeting.	such Member physically at the relevant general meeting.	
61(b)	Subject to the Statute, in the event any resolution with respect to paragraph (e) of Article 47 to effect a Merger, split-off or share swap (as defined in the Applicable Listing Rules) of the Company or Acquisition is passed at a general meeting, the Member, who has expressed his dissent therefor, in writing or verbally (with a written record) before or during the general meeting <b>and voted against or abstained from voting on such matter</b> , may request the Company in writing, specifying the price of the Shares to be repurchased, to purchase all of his Shares at the then prevailing fair value price within twenty (20) days after the date of the resolution.	Subject to the Statute, in the event any resolution with respect to paragraph (e) of Article 47 to effect a Merger, split-off or share swap (as defined in the Applicable Listing Rules) of the Company or Acquisition is passed at a general meeting, the Member, who has <u>forfeited his right to vote on such matter and</u> expressed his dissent therefor, in writing or verbally (with a written record) before or during the general meeting, may request the Company in writing, specifying the price of the Shares to be repurchased, to purchase all of his Shares at the then prevailing fair value price within twenty (20) days after the date of the resolution.	Revised in accordance with the Ref. No. 11200504512 announcement of the OTC on 2023/1/17.
66	The Board shall consist of five (5) to eleven (11) Directors. At least three (3) of the Directors shall be Independent Directors pursuant to Article 70, and the Independent Directors shall account for at least one-fifth (1/5) of the total number of Directors. The term of office for a Director shall not exceed three (3) years and the Director whose term has expired may be eligible for re-election. Where any Member is a corporate entity, its representative may be elected as Director. In case no election of new Directors is effected after expiration of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new Directors have been elected and assumed their office. However, the competent authority in Taiwan may, ex officio, order the Company to elect new Directors within a given time limit; and if no re-election is effected after expiry of the given time limit, the out-going Directors shall be discharged ipso facto from such expiration date. <b><u>Where any Member is a government agency or a corporate entity, such government or corporate shareholder may nominate representative(s) to be elected as Director. When there are multiple representatives, each of these</u></b>	The Board shall consist of five (5) to eleven (11) Directors. At least three (3) of the Directors shall be Independent Directors pursuant to Article 70, and the Independent Directors shall account for at least one-fifth (1/5) of the total number of Directors. The term of office for a Director shall not exceed three (3) years and the Director whose term has expired may be eligible for re-election. Where any Member is a corporate entity, its representative may be elected as Director. In case no election of new Directors is effected after expiration of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new Directors have been elected and assumed their office. However, the competent authority in Taiwan may, ex officio, order the Company to elect new Directors within a given time limit; and if no re-election is effected after expiry of the given time limit, the out-going Directors shall be discharged ipso facto from such expiration date.	Amended in accordance with the provisions of Article 27 of the Taiwan Company Act.

Item No	New version proposed to Members	Current version	Explanations
	<p><b><u>representatives may be individually elected. If the term of office of the Director representing such government or corporate shareholder has not expired, the government or corporate shareholder may, taking into consideration the duties of the representative, replace such existing Director and appoint another representative as the Director to serve the remaining term of office. Where the government or corporate shareholder replaces its existing representative Director and appoints another representative as the Director to serve the remaining term, approval of Members for election of new directors under Article 67 and for removal of Directors under Article 106 are not required. Removal of an existing Director representing a government or corporate shareholder and appointment of a new representative as the Director shall take effect on the date of receipt by the Board of written notice from the applicable government or corporate shareholder to the Board and the consent letter by the new Director indicating his/her consent to act as Director.</u></b></p>		
99	<p>The following matters shall be brought to the Company's board meeting for discussion and if thought fit, approval. The matters described below shall be set out in the notice of meeting, and may not be raised by an extempore motion.</p> <p>(a) The Company's business plan;</p> <p>(b) Annual financial report and semi-annual financial report;</p> <p>(c) Internal control system established or amended in accordance with the provisions under Article 14-1 of the ROC SEA;</p> <p>(d) 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 provisions under Article 36-1 of the ROC SEA;</p>	<p>The following matters shall be brought to the Company's board meeting for discussion and if thought fit, approval. <u>Except in an unexpected emergency or for good reason,</u> the matters described below shall be set out in the notice of meeting, and may not be raised by an extempore motion.</p> <p>(a) The Company's business plan;</p> <p>(b) Annual financial report and semi-annual financial report;</p> <p>(c) Internal control system established or amended in accordance with the provisions under Article 14-1 of the ROC SEA;</p> <p>(d) 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 provisions</p>	<p>Revised in accordance with the relevant provisions of the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" amended and published by the Financial Supervisory Commission on August 5, 2022, in document no. 1110383263.</p>

Item No	New version proposed to Members	Current version	Explanations
	<p>(e) Offering, issue or private placement of securities of the nature of equity;</p> <p>(f) <u>If the board of directors does not have managing directors, the election or discharge of the chairman of the board of directors.</u></p> <p>(g) Appointment and/or dismissal of a financial, accounting or internal audit officers;</p> <p>(h) Any matter bearing on the personal interest of a Director;</p> <p>(i) The engagement of a Certified Public Accountant; and</p> <p>(j) Matters to be resolved at general meeting or by the board meeting under Article 14-3 of the ROC SEA, other laws and regulations or the Articles of Association, or other important matters required by the competent authority.</p> <p>For matters to be resolved by the board meeting under Article 14-3 of the ROC SEA, independent Directors shall attend a meeting in person or appoint another independent Director to attend the meeting on his or her behalf and may not appoint a proxy who is not an independent Director as his or her proxy. 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 provide a Written statement providing his view and opinions on the relevant matters for consideration at the board meeting and his statement shall be included in the minutes of the board meeting, unless his/her absence is for good cause.</p>	<p>under Article 36-1 of the ROC SEA;</p> <p>(e) Offering, issue or private placement of securities of the nature of equity;</p> <p>(f) Appointment and/or dismissal of a financial, accounting or internal audit officers;</p> <p>(g) Any matter bearing on the personal interest of a Director;</p> <p>(h) The engagement of a Certified Public Accountant; and</p> <p>(i) Matters to be resolved at general meeting or by the board meeting under Article 14-3 of the ROC SEA, other laws and regulations or the Articles of Association, or other important matters required by the competent authority.</p> <p>For matters to be resolved by the board meeting under Article 14-3 of the ROC SEA, independent Directors shall attend a meeting in person or appoint another independent Director to attend the meeting on his or her behalf and may not appoint a proxy who is not an independent Director as his or her proxy. 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 provide a Written statement providing his view and opinions on the relevant matters for consideration at the board meeting and his statement shall be included in the minutes of the board meeting, unless his/her absence is for good cause.</p>	
106	<p>Notwithstanding any provision in these Articles (<u>other than Article 66</u>) to the contrary or any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement), a Director may be removed by way of a Supermajority Resolution of the Members at any time before the expiration of his period of office; if all Directors are re-elected at a general meeting held prior to the</p>	<p>Notwithstanding any provision in these Articles to the contrary or any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement), a Director may be removed by way of a Supermajority Resolution of the Members at any time before the expiration of his period of office; if all Directors are re-elected at a general meeting held prior to</p>	<p>In response to the amendment of Article 66 of these bylaws, corresponding adjustments have been made.</p>

Item No	New version proposed to Members	Current version	Explanations
	<p>expiration of the term of the current Directors (the “Re-Election”), unless it is otherwise resolved at such general meeting, in which case the term of the existing Directors shall be deemed to have expired immediately prior to Re-Election. The aforesaid re-election of all Directors shall be held in the general meeting attended by Members representing more than fifty percent (50%) of total issued Shares in accordance with Articles 66 and 67.</p>	<p>the expiration of the term of the current Directors (the “Re-Election”), unless it is otherwise resolved at such general meeting, in which case the term of the existing Directors shall be deemed to have expired immediately prior to Re-Election. The aforesaid re-election of all Directors shall be held in the general meeting attended by Members representing more than fifty percent (50%) of total issued Shares in accordance with Articles 66 and 67.</p>	

(Attachment 6)

Comparison Table for the Procedures for Acquisition or Disposal of Assets

Item no	New version proposed to Members	Current version	Explanations
Article 4	<p>Should any of the following conditions relating to the Company and its Subsidiaries' acquisition or disposal of assets occurs, filing and public announcement shall be made according to the applicable laws, rules, and regulations within two days commencing immediately from the Date of occurrence of the Event: (Subparagraph 1~4 omitted)</p> <p>5. Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, <u>and furthermore the transaction counterparty is not a related party</u>, and the amount the Company expects to invest in the transaction reaches NT\$500 million.</p> <p>6. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 10% or more of shareholders' equity or NT\$300 million; provided, this shall not apply to the following circumstances: (1) Trading of government bonds <u>of Taiwan or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan</u>. (2) Trading of bonds under repurchase/resale agreements and the purchase or buy back domestic money market funds issued by Securities Investment Trust in Taiwan.</p> <p>7. The amount of transactions above shall be calculated as follows: (1) The amount of any individual transaction. (2) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year. (3) The cumulative transaction amount of real estate or</p>	<p>Should any of the following conditions relating to the Company and its Subsidiaries' acquisition or disposal of assets occurs, filing and public announcement shall be made according to the applicable laws, rules, and regulations within two days commencing immediately from the Date of occurrence of the Event: (Subparagraph 1~4 omitted)</p> <p>5. Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the amount the Company expects to invest in the transaction reaches NT\$500 million.</p> <p>6. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 10% or more of shareholders' equity or NT\$300 million; provided, this shall not apply to the following circumstances: (1) Trading of government bonds. (2) Trading of bonds under repurchase/resale agreements and the purchase or buy back domestic money market funds issued by Securities Investment Trust in Taiwan.</p> <p>7. The amount of transactions above shall be calculated as follows: (1) The amount of any individual transaction. (2) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year. (3) The cumulative transaction amount of real estate or right-of-use assets thereof acquisitions and disposals (cumulative acquisitions and disposals, respectively) within the same development project within the</p>	<p>Revisions have been made in accordance with the Financial Supervisory Commission's letter No. 1110380465 issued on January 28, 2022, and the latest regulations.</p>

Item no	New version proposed to Members	Current version	Explanations
	<p>right-of-use assets thereof acquisitions and disposals (cumulative acquisitions and disposals, respectively) within the same development project within the preceding year.</p> <p>(4) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.</p> <p>"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with the Procedures need not be counted toward the transaction amount.</p>	<p>preceding year.</p> <p>(4) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.</p> <p>"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with the Procedures need not be counted toward the transaction amount.</p>	
Article 6	<p>The evaluation procedures of the Company and its Subsidiaries' asset acquisition or disposal are as follows:</p> <p>1. Except transactions with domestic government agency in Taiwan, contracting third parties to construct on land owned or rented by the Company, or acquisition of equipment or right-of-use assets thereof for operation purpose, for acquisition or disposal of real estate ,equipment or right-of-use assets thereof by the Company and its Subsidiaries whose amount reaches 10% of the Company's shareholders' equity or NT\$300 million, an appraisal report issued by Professional Appraiser shall be obtained prior to the Date of the Event and the following provisions should be complied with:</p> <p>(1) If for any special reason, restricted price, specific price, or special price must be used as a reference for the transaction price, the transaction should be approved by the Board in advance. The above procedures should also be followed in case the transaction terms are changed subsequently.</p> <p>(2) If the transaction price is over NT\$1 billion, the Company should retain at least two Professional Appraisers to perform the appraisal.</p> <p>(3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be</p>	<p>The evaluation procedures of the Company and its Subsidiaries' asset acquisition or disposal are as follows:</p> <p>1. Except transactions with domestic government agency in Taiwan, contracting third parties to construct on land owned or rented by the Company, or acquisition of equipment or right-of-use assets thereof for operation purpose, for acquisition or disposal of real estate ,equipment or right-of-use assets thereof by the Company and its Subsidiaries whose amount reaches 10% of the Company's shareholders' equity or NT\$300 million, an appraisal report issued by Professional Appraiser shall be obtained prior to the Date of the Event and the following provisions should be complied with:</p> <p>(1) If for any special reason, restricted price, specific price, or special price must be used as a reference for the transaction price, the transaction should be approved by the Board in advance. The above procedures should also be followed in case the transaction terms are changed subsequently.</p> <p>(2) If the transaction price is over NT\$1 billion, the Company should retain at least two Professional Appraisers to perform the appraisal.</p> <p>(3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be</p>	<p>Revisions have been made in accordance with the Financial Supervisory Commission's letter No. 1110380465 issued on January 28, 2022, and the latest regulations.</p>

Item no	New version proposed to Members	Current version	Explanations
	<p>acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(i) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount.</p> <p>(ii) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.</p> <p>(4) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>2. The Company and its Subsidiaries acquiring or disposing of securities shall, prior to the Date of the Event, obtain the latest financial statements of the object company audited or reviewed by certified public accountant for the assessment and reference of transaction price. Should the transaction price reaches 10% of the Company's shareholders' equity or NT\$300 million, opinions in respect of a rational transaction price have to be sought from certified public accountant prior to the Date of the Event. These requirements are not applicable if such securities have a public price from an active market or where otherwise provided by regulations of the Financial Supervisory Commission.</p> <p>3. Except for transactions with domestic government agency in Taiwan, if the Company and its Subsidiaries' acquisition or disposal of membership or intangible assets right-of-use assets thereof reaches 10% of the Company's shareholders' equity or NT\$300 million, opinions in respect of a rational transaction price shall be sought from certified public accountant prior to the Date of the Event.</p>	<p>acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to <u>perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation ("ARDF")</u> and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(i) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount.</p> <p>(ii) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.</p> <p>(4) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>2. The Company and its Subsidiaries acquiring or disposing of securities shall, prior to the Date of the Event, obtain the latest financial statements of the object company audited or reviewed by certified public accountant for the assessment and reference of transaction price. Should the transaction price reaches 10% of the Company's shareholders' equity or NT\$300 million, opinions in respect of a rational transaction price have to be sought from certified public accountant prior to the Date of the Event. <u>If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u> These requirements are not applicable if such securities have a public price from an active market or where otherwise provided by regulations of the Financial Supervisory Commission.</p> <p>3. Except for transactions with domestic government agency in</p>	

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	<p>4.The calculation of the transaction amounts referred to in the preceding three sub-paragraphs shall be done in accordance with Sub-paragraph 7, Paragraph 1, Article 4, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.</p> <p>5. The Company or its Subsidiaries for acquisition or disposal of assets through auction procedures of courts, the appraisal report or certified public accountant's opinion can be replaced by documents issued by the courts.</p> <p>6. Any Professional Appraiser and its appraisal personnel, certified public accountants, lawyers, or securities underwriters whom the Company or its Subsidiaries has acquired appraisal reports and opinions from, shall meet the following requirements:</p> <p>(1)May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>(2)May not be a related party or de facto related party of any party to the transaction.</p> <p>(3)If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with <u>the self-regulatory rules of the industry associations to which they</u></p>	<p>Taiwan, if the Company and its Subsidiaries' acquisition or disposal of membership or intangible assets right-of-use assets thereof reaches 10% of the Company's shareholders' equity or NT\$300 million, opinions in respect of a rational transaction price shall be sought from certified public accountant prior to the Date of the Event. <u>Certified public accountant shall handle the matter in accordance with the provision of Auditing Standard No. 20 published by the ARDF.</u></p> <p>4.The calculation of the transaction amounts referred to in the preceding three sub-paragraphs shall be done in accordance with Sub-paragraph 4, Paragraph 1, Article 4, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.</p> <p>5. The Company or its Subsidiaries for acquisition or disposal of assets through auction procedures of courts, the appraisal report or certified public accountant's opinion can be replaced by documents issued by the courts.</p> <p>6. Any Professional Appraiser and its appraisal personnel, certified public accountants, lawyers, or securities underwriters whom the Company or its Subsidiaries has acquired appraisal reports and opinions from, shall meet the following requirements:</p> <p>(1)May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>(2)May not be a related party or de facto related party of any</p>	

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	<p><u>belong and with</u> the following:</p> <p>(1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>(2) When <u>conducting</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>(3) They shall undertake an item-by-item evaluation of the <u>appropriateness</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>(4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>appropriate and</u> reasonable, and that they have complied with applicable laws and regulations.</p>	<p>party to the transaction.</p> <p>(3) If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <p>(1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>(2) When <u>examining</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>(3) They shall undertake an item-by-item evaluation of the <u>comprehensiveness, accuracy,</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>(4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable <u>and accurate</u>, and that they have complied with applicable laws and regulations.</p>	
Article 8	<p>(Paragraph 1 omitted)</p> <p>When the Company acquires or disposes of real estate or right-of-use assets thereof from a Related Party or when it intends to acquire or dispose of assets other than real estate or right-of-use assets thereof from or to a Related Party and the transaction amount reaches 10% or more of the Company's shareholders' equity, 10% or more of the Company's total assets, or NT\$300 million or more, except for trading government bonds</p>	<p>(Paragraph 1 omitted)</p> <p>When the Company acquires or disposes of real estate or right-of-use assets thereof from a Related Party or when it intends to acquire or dispose of assets other than real estate or right-of-use assets thereof from or to a Related Party and the transaction amount reaches 10% or more of the Company's shareholders' equity, 10% or more of the Company's total assets, or NT\$300 million or more, except for trading government bonds</p>	<p>Revisions have been made in accordance with the Financial Supervisory Commission's letter No. 1110380465 issued on January</p>

Item no	New version proposed to Members	Current version	Explanations
	<p>of <u>Taiwan</u> or bonds under repurchase/resale agreements and purchasing or buying back domestic money market funds issued by Securities Investment Trust in Taiwan, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by <u>the Audit Committee and</u> the Board.</p> <ol style="list-style-type: none"> <li>1. The purpose, necessity and anticipated benefit of the property acquisition or disposal.</li> <li>2. The reason for choosing the Related Party as a trading counterparty.</li> <li>3. With respect to the acquisition of real estate or right-of-use assets thereof from a Related Party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Articles 8-1 and 8-2.</li> <li>4. The date and price at which the Related Party originally acquired the real estate, the original trading counterparty, and that trading counterparty's relationship to the Company and the Related Party.</li> <li>5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</li> <li>6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding paragraph.</li> <li>7. Restrictive covenants and other important stipulations associated with the transaction.</li> </ol> <p><u>If the company or a subsidiary thereof that is not a domestic public company will have a transaction set out in paragraph 2 and the transaction amount will reach 10 percent or more of the company's total assets, the company shall submit the materials in all the subparagraphs of paragraph 2 to the shareholders meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between the company and its subsidiaries or between its subsidiaries.</u></p> <p>The calculation of the transaction amounts referred to in</p>	<p>or bonds under repurchase/resale agreements and purchasing or buying back domestic money market funds issued by Securities Investment Trust in Taiwan, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Board <u>and recognized by the Audit Committee:</u></p> <ol style="list-style-type: none"> <li>1. The purpose, necessity and anticipated benefit of the property acquisition or disposal.</li> <li>2. The reason for choosing the Related Party as a trading counterparty.</li> <li>3. With respect to the acquisition of real estate or right-of-use assets thereof from a Related Party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Articles 8-1 and 8-2.</li> <li>4. The date and price at which the Related Party originally acquired the real estate, the original trading counterparty, and that trading counterparty's relationship to the Company and the Related Party.</li> <li>5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</li> <li>6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding paragraph.</li> <li>7. Restrictive covenants and other important stipulations associated with the transaction.</li> </ol> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Subparagraph 4, Paragraph 1, Article 4 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Board <u>and recognized by the Audit Committee</u> need not be counted toward the transaction amount.</p> <p>With respect to the acquisition or disposal of <u>business-use machinery and</u> equipment or right-of-use assets thereof between a public company and its parent or subsidiaries or between its</p>	<p>28, 2022, and the latest regulations.</p>

Item no	New version proposed to Members	Current version	Explanations
	<p><u>paragraph 2 and</u> the preceding paragraph shall be made in accordance with Subparagraph <u>7</u>, Paragraph 1, Article 4 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the <u>Audit Committee and</u> the Board <u>and shareholders meeting</u> need not be counted toward the transaction amount.</p> <p>With respect to the acquisition or disposal of equipment or right-of-use assets thereof <u>held for business use, or acquisition or disposal of real property right-of-use assets held for business use</u> between a public company and its parent or subsidiaries or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company's Board may pursuant to Article 3 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next Board meeting.</p> <p>Where the position of Independent Director has been established, when an acquisition of real estate from a Related Party is submitted for discussion by the Board pursuant to the first paragraph, the Board shall take into full consideration each Independent Director's opinions. If an Independent Director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board meeting.</p>	<p>subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company's Board may pursuant to Article 3 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next Board meeting.</p> <p>Where the position of Independent Director has been established, when an acquisition of real estate from a Related Party is submitted for discussion by the Board pursuant to the first paragraph, the Board shall take into full consideration each Independent Director's opinions. If an Independent Director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board meeting.</p>	
Article 9-2	<p>(Paragraph 1~3 omitted)</p> <p>Where the Company participating in a merger, demerger, acquisition, or transfer of another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the Company(s) so listed or traded shall sign an agreement with such company whereby the latter is required to abide by the provisions of paragraphs <u>2</u> and <u>3</u>.</p>	<p>(Paragraph 1~3 omitted)</p> <p>Where the Company participating in a merger, demerger, acquisition, or transfer of another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the Company(s) so listed or traded shall sign an agreement with such company whereby the latter is required to abide by the provisions of paragraphs <u>3</u> and <u>4</u>.</p>	Discretionary text

**(Attachment 7)**

**Employee Restricted Stock Awards Rules for Year 2023**

**I 、 Purpose of the Issuance**

Our company has established the "Employee Restricted Stock Awards Rules" (hereinafter referred to as the "Rules") in accordance with Article 267 of the Company Act, the "Regulations Governing the Offering and Issuance of Securities by Foreign Issuers" issued by the Financial Supervisory Commission, and the applicable provisions of Chapter 4 of the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" (hereinafter collectively referred to as the "Offering and Issuance Regulations") to attract and retain the talent necessary for the company and to incentivize and reward employees in order to create benefits for the company and its shareholders.

**II 、 Period of the Issuance**

Within two years from the effective date of the self-regulatory agency's declaration, the Company may, as deemed necessary, issue shares in one or more tranches. The actual issuance date shall be determined by the Chairman of the Board, authorized by the Board of Directors.

**III 、 The eligibility criteria and the number of shares that employees are entitled to subscribe to are as follows:**

This incentive plan is only applicable to full-time regular employees of the Company and its subsidiaries (directly or indirectly holding more than 50% of the voting shares of the same invested company), who are employed on the day of the grant of the Restricted Stock Award and have achieved certain performance targets

The actual number of Restricted Stock Awards granted to eligible employees will be determined by the Human Resources Department, taking into account factors such as years of service, job level, work performance, overall contribution, special achievements, or other management-related criteria. The proposed plan will then be submitted to the Chairman for approval and subsequently to the Board of Directors for resolution. However, for employees with managerial positions, the plan must first be approved by the Compensation Committee, and for employees without managerial positions, the plan must first be approved by the Audit Committee. °

According to Article 56-1, Paragraph 1 of the Offering and Issuance Regulations, the cumulative number of shares subscribed by a single stock option holder through the issuance of employee stock option certificates, plus the cumulative number of restricted employee shares acquired by the stock option holder, shall not exceed 0.3% of the total number of issued shares. In addition, the cumulative number of shares subscribed by a single stock option holder through the issuance of employee stock option certificates shall not exceed 1% of the total number of issued shares, in accordance with Article 56-1, Paragraph 1 of the Offering and Issuance Regulations. However, if approved by the relevant central competent authority on a project-by-project basis, the limit on the above-mentioned proportion does not apply to a single employee who acquires employee stock option certificates and restricted employee shares in aggregate.

#### IV 、 Total number of issues

According to these regulations, the restricted employee shares issued shall be 3,000,000 common shares with a par value of USD 0.0010 per share.

#### V 、 Issue conditions

- (I) Issue price: free of charge.
- (II) Type of Shares to be Issued: Common Shares of the Company (New Shares) ◦
- (III) Vesting conditions :

1.The indicators are described as follows :

Indicator type one : If an employee satisfies the Type 1 criteria by the end of the year of issuance, they are eligible to receive 70% of the shares allocated for that criteria in the following January. If an employee satisfies the Type 1 criteria by the end of the second year after issuance, they are eligible to receive 30% of the shares allocated for that criteria in the following January.

Indicator type two : If the employee meets the criteria of Type 2 indicators before the end of the second fiscal year from the issuance date, the employee can receive up to 70% of the shares allocated for that indicator in the following January after meeting the criteria. If the employee meets the criteria of Type 2 indicators before the end of the third fiscal year from the issuance date, the employee can receive up to 30% of the shares allocated for that indicator in the following January after meeting the criteria.

Indicator type three : If the employee satisfies the criteria of Type 3 indicator before the end of the third year from the date of issuance, the employee may receive up to 70% of the shares allocated for this indicator in the following January when the criteria are met. If the employee satisfies the criteria of Type 3 indicator before the end of the fourth year from the date of issuance, the employee may receive up to 30% of the shares allocated for this indicator in the following January when the criteria are met.

2.Before receiving the allotted restricted stock units, employees must meet the performance indicators established by the company for the issuance of restricted stock units for employees. The performance indicators are authorized by the chairman of the company at the time of the issuance of restricted stock units for employees and are established in conjunction with the employees and recorded in the "Agreement for Receipt of Restricted Stock Units for Employees". The achievement of the performance indicators is assessed by the company's compensation committee and audit committee and reported to the board of directors for approval. ◦

3.After the issuance of restricted employee equity shares based on the achieved performance indicators, except for the circumstances mentioned in the fourth paragraph below, if the recipient of the equity shares is not employed at the time of vesting, it will be deemed as not meeting the vesting conditions. The company will reclaim the shares without compensation and cancel them.

- (IV) The handling of situations where employees do not meet the eligibility requirements or in cases of inheritance shall be in accordance with the following procedures :

1.Resignation (including voluntary resignation and termination) :

For restricted stock units that have not met the vesting conditions, if an employee resigns or is terminated before meeting the vesting conditions, the company shall

reclaim the shares without compensation and cancel them.

2. Retirement :

For restricted stock units that have not met the vesting conditions, if an employee retires before meeting the vesting conditions, the company shall reclaim the shares without compensation and cancel them. However, the Board of Directors may consider the employee's special contributions and overall contributions, and grant a portion or all of the restricted stock units that have not yet met the vesting conditions.

3. Leave of absence without pay and parental leave:

For employees who have been approved for leave of absence without pay or parental leave, if their restricted stock units have not met the vesting conditions, their rights shall be reinstated from the date of their return to work. However, the vesting conditions during the period of leave of absence without pay should be deferred to a later date.

4. General Death :

Any death other than occupational accidents as described in item 5 of this article shall be deemed as general death. For the restricted employee stock ownership plan, if an employee who has not met the eligibility criteria passes away, the company shall immediately recover the shares and cancel them without charge.

5. Due to Occupational Accidents Resulting in Disability or Death :

(1) For employees who are disabled due to occupational accidents and unable to continue working, the restricted employee stock ownership plan shall still be considered fulfilled according to the eligibility criteria in this article if they have not met them at the end of the fiscal year in which they leave.

(2) For employees who die due to occupational accidents and have not met the eligibility criteria for the restricted employee stock ownership plan by the end of the fiscal year in which they leave, their heirs shall still be considered eligible for the plan starting from the date of the employee's death according to the eligibility criteria in this article.

6. Transfer to Related Companies :

For the operational needs of the Company, employees who are transferred to related companies of the Company shall not be affected in their entitlement to restricted stock units.

7. In the case of restricted stock units (including those resulting from the events listed above) that have not met the vesting conditions, the Company shall reclaim the shares at no cost and cancel them. However, any dividends and bonuses derived from the restricted stock units need not be returned by the employee.

8. Prior to the fulfillment of the vested conditions, if an employee violates the provisions of Article 6 and terminates or revokes the company's agency authorization, the company is entitled to retrieve the restricted employee rights to new shares that have not reached the vested conditions without compensation and cancel them.

9. In accordance with the above provisions, the issued shares that have been retrieved or repurchased shall apply for capital change registration with the competent authority at least once per quarter. (If applicable)

VI 、 Restricted rights before reaching the vested conditions after being allotted new shares

(I) If an employee, after receiving restricted employee rights to new shares allotted by the company but has not yet reached the vested conditions, violates the labor contract or work rules or falls under any of the circumstances listed in Article 12, paragraph 1 of the Labor Standards Act, the company may retrieve the employee's shares without compensation and cancel them. However, the employee does not need to return or surrender any dividends or bonus shares resulting from the allotment.

(II) According to these regulations, the restricted employee rights to new shares issued

hereunder include the following rights that are restricted until the employee reaches the vested conditions after being allotted new shares :

- 1.The restricted employee rights to new shares cannot be sold, pledged, transferred, gifted, used as collateral, or disposed of in any other way.
  - 2.Voting rights at shareholders' meetings: Same as the company's other common shares.
  - 3.Rights to participate in stock dividends and bonus shares: Same as the company's other common shares. However, the allotment of bonus shares and dividends also needs to be delivered to the trust.
- (III) According to these regulations, the restricted employee rights to new shares issued hereunder shall be managed through a stock trust prior to reaching the vested conditions. When new shares are allotted, it shall be deemed that the employee has authorized the company to sign and amend the relevant trust agreement on behalf of the allotted employees.

#### VII 、 Procedures for allotment of new shares and number of vested shares

- (I) Once an employee obtains the right to receive restricted employee shares, the company will register the number of shares allocated to the employee on the company's shareholder registry on the capital increase record date and deliver the new ordinary shares issued by the company to the employee's account through book-entry transfer. The employee may also arrange for the shares to be held in trust during the vested period in accordance with the provisions of the trust agreement. ◦
- (II) The company shall handle the registration of changes in accordance with the law for the restricted employee shares issued under these regulations. (if applicable)

#### VIII 、 Tax

The employee shall handle any relevant taxes arising from the vested shares under these regulations in accordance with the relevant tax laws and regulations of the Republic of China at the time.

#### IX 、 Signing and Confidentiality

- (I) Employees who are allocated new shares with restricted employee rights are required to sign the "Consent to Receive New Shares with Restricted Employee Rights" and go through the relevant trust/custodial procedures. Those who fail to complete the signing of relevant documents in accordance with the regulations are deemed to have waived the restrictions on the rights of employees.
- (II) Anyone who obtains restricted employee stock and related benefits through this policy must comply with this policy and the "Agreement for Receipt of Restricted Employee Stock." Violators will be deemed to have not met the conditions for obtaining such stock. Additionally, they must comply with related confidentiality regulations and may not inquire about or disclose to others the quantity or content of the granted restricted employee stock, except as required by law or regulatory agencies. If any violations occur, the company reserves the right to retrieve the shares and cancel the stock grants for those who have not yet met the conditions.

#### X 、 Other important matters

- (I) This policy shall take effect upon approval by the competent authority, provided that at least two-thirds of the directors present and more than one-half of the attending directors agree at the board meeting. Any modifications to this policy prior to the issuance of restricted employee stock shall also require approval under the same conditions. If revisions are required during the review and approval process by the competent authority,

the authorized chairman may revise this policy. The revised policy must be presented to the board for approval before issuing the restricted employee stock.

- (II) Regarding the number of shares and the date of allocation to employees who have met the conditions, the company's official announcement shall prevail.
- (III) Prior to meeting the conditions for obtaining restricted employee stock, the attending, proposing, speaking, voting rights, and other shareholder rights related to restricted employee stock at the company's shareholder meeting shall be entrusted to a trust custody institution for exercise. °
- (IV) Any matters not covered by this policy shall be handled in accordance with relevant laws and regulations.

# **Appendix**

(Appendix 1)

THE COMPANIES LAW  
(2018 REVISION)  
OF THE CAYMAN ISLANDS

COMPANY LIMITED BY SHARES

AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION  
OF

**TaiGen Biopharmaceuticals Holdings Limited**

(As adopted by Special Resolution passed by Members at a general meeting held on  
May 30, 2022)

1. The name of the Company is **TaiGen Biopharmaceuticals Holdings Limited**.
2. The registered office of the Company shall be at the offices of Maples Corporate Services Limited, PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands or at such other place as the Board may from time to time decide.
3. The objects for which the Company is established are unrestricted and shall include, but without limitation, the following:
  - (a) (i) To carry on the business of an investment company and to act as promoters and entrepreneurs and to carry on business as financiers, capitalists, concessionaires, merchants, brokers, traders, dealers, agents, importers and exporters and to undertake and carry on and execute all kinds of investment, financial, commercial, mercantile, trading and other operations.
  - (ii) To carry on whether as principals, agents or otherwise howsoever the business of realtors, developers, consultants, estate agents or managers, builders, contractors, engineers, manufacturers, dealers in or vendors of all types of property including services.
  - (b) To exercise and enforce all rights and powers conferred by or incidental to the ownership of any shares, stock, obligations or other securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the holding by the Company of some special proportion of the issued or nominal amount thereof, to provide managerial and other executive, supervisory and consultant services for or in relation to any company in which the Company is interested upon such terms as may be thought fit.
  - (c) To purchase or otherwise acquire, to sell, exchange, surrender, lease, mortgage, charge, convert, turn to account, dispose of and deal with real and personal property and rights of all kinds and, in particular, mortgages, debentures, produce, concessions, options, contracts, patents, annuities, licences, stocks, shares, bonds, policies, book debts, business concerns, undertakings, claims, privileges and choses in action of all kinds.
  - (d) To subscribe for, conditionally or unconditionally, to underwrite, issue on commission or otherwise, take, hold, deal in and convert stocks, shares and securities of all kinds and to enter into partnership or into any arrangement for sharing profits, reciprocal concessions or cooperation with any, person or company and to promote and aid in promoting, to constitute, form or organize any company syndicate or partnership of any kind, for the purpose of acquiring and undertaking and property and liabilities of the Company or of

advancing, directly or indirectly, the object of the Company or for any other purpose which the Company may think expedient.

- (e) To stand surety for or to guarantee, support or secure the performance of all or any of the obligations of any person, firm or company whether or not related to or a Subsidiary of the Company in any manner and whether by personal covenant or by mortgage, charge or lien upon the whole or any part of the undertaking, property and assets of the Company, both present and future, including its uncalled capital or by any such method and whether or not the Company shall receive valuable consideration thereof.
- (f) To engage in or carry on any other lawful trade, business or enterprise which may at any time appear to the Board of the Company capable of being conveniently carried on in conjunction with any of the aforementioned businesses or activities or which may appear to the Board or the Company likely to be profitable to the Company.

In the interpretation of this Memorandum of Association in general and of this Clause 3 in particular no object, business or power specified or mentioned shall be limited or restricted by reference to or inference from any other object, business or power, or the name of the Company, or by the juxtaposition of two or more objects, businesses or powers and that, in the event of any ambiguity in this clause or elsewhere in this Memorandum of Association, the same shall be resolved by such interpretation and construction as will widen and enlarge and not restrict the objects, businesses and powers of and exercisable by the Company.

- 4. Except as prohibited or limited by the Companies Law, the Company shall have full power and authority to carry out any object and shall have and be capable of from time to time and at all times exercising any and all of the powers at any time or from time to time exercisable by a natural person or body corporate in doing in any part of the world whether as principal, agent, contractor or otherwise whatever may be considered by it necessary for the attainment of its objects and whatever else may be considered by it as incidental or conducive thereto or consequential thereon, including, but without in any way restricting the generality of the foregoing, the power to make any alterations or amendments to this Memorandum of Association and the Articles of Association of the Company considered necessary or convenient in the manner set out in the Articles of Association of the Company, and the power to do any of the following acts or things, viz: to pay all expenses of and incidental to the promotion, formation and incorporation of the Company; to register the Company to do business in any other jurisdiction; to sell, lease or dispose of any property of the Company; to draw, make, accept, endorse, discount, execute and issue promissory notes, debentures, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; to lend money or other assets and to act as guarantors; to borrow or raise money on the security of the undertaking or on all or any of the assets of the Company or without security; to invest monies of the Company in such manner as the Board determines; to promote other companies; to sell the undertaking of the Company for cash or any other consideration; to distribute assets in specie to Members of the Company; to make charitable or benevolent donations; to pay pensions or gratuities or provide other benefits in cash or kind to Directors, officers and employees, past or present; to purchase Directors and officers liability insurance and to carry on any trade or business and generally to do all acts and things which, in the opinion of the Company or the Board, may be conveniently or profitably or usefully acquired and dealt with, carried on, executed or done by the Company in connection with the business aforesaid PROVIDED THAT the Company shall only carry on the businesses for which a license is required under the laws of the Cayman Islands when so licensed under the terms of such laws.
- 5. The liability of each Member is limited to the amount from time to time unpaid on such Member's shares.
- 6. The share capital of the Company is US\$1,122,514.160 divided into 1,122,514,160 shares of Common Shares of a nominal or par value of US\$0.001 each with power for the Company insofar as is permitted by law, to redeem or purchase any of its shares and to increase or reduce the said capital subject to the provisions of the Companies Law and the Articles of Association and to issue any part of its capital,

whether original, redeemed or increased with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether declared to be preference or otherwise shall be subject to the powers hereinbefore contained PROVIDED ALWAYS that, notwithstanding any provision to the contrary contained in this Memorandum of association, the Company shall have no power to issue bearer shares, warrants , coupons or certificates.

7. If the Company is registered as exempted, its operations will be carried on subject to the provisions of Section 174 of the Companies Law and, subject to the provisions of the Companies Law and the Articles of Association, it shall have the power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.

THE COMPANIES LAW  
(2018 REVISION)  
OF THE CAYMAN ISLANDS

COMPANY LIMITED BY SHARES

AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION  
OF

**TaiGen Biopharmaceuticals Holdings Limited**

(As adopted by Special Resolution passed by the Members at a general meeting held on  
May 30, 2022)

1. In these Articles Table A in the Schedule to the Statute does not apply and, unless there be something in the subject or context inconsistent therewith,

"Affiliate"	has the meaning attributed to it in the ROC Company Law.
"Acquisition"	refers to an act wherein a company acquiring shares, business or assets of another company in exchange for shares, cash or other assets.
"Applicable Law"	means the laws of the ROC, the rules of the Designated Stock Market, the Statute or such other rules or legislation applicable to the Company.
"Approved Stock Exchange"	means a stock exchange listed in the Fourth Schedule to the Statute.
"Articles"	means the Articles as originally framed or as from time to time altered by Special Resolution.
"Audit Committee"	means the audit committee formed pursuant to the ROC Securities Regulation.
"Board" or "Board of Directors" or "Directors"	means the directors of the Company for the time being, or as the case may be, the directors assembled as a board (including Independent Directors).
"Commission"	means the Financial Supervisory Commission of the ROC or any other authority for the time being administering the Securities and Exchange Act of the ROC.
"Common Seal"	means the seal of the Company (if adopted) including any one or more duplicate seals, for use in the Cayman Islands or in any place outside the Cayman Islands.
"Company"	means the above named Company.
"Companies Law"	means the Companies Law(2018 Revision ) of the Cayman Islands.

"Compensation Committee"	means the compensation committee formed by the Board pursuant to the ROC Securities Regulation.
"Capital Reserves"	means the Share Premium Account, income from endowments received by the Company, capital redemption reserve, profit and loss account and other reserves generated in accordance with generally accepted accounting principles.
"Cumulative Voting"	means the voting mechanism for an election of a Director and / or Directors as described in Article 67.
"Debenture"	means debenture stock, mortgages, bonds and any other such securities of the Company whether constituting a charge on the assets of the Company or not.
"Delisting"	means (a) the delisting of the Shares registered or listed on any Designated Stock Market as a result of a Merger in which the Company will dissolve, general assumption (as defined in the Applicable Listing Rules), share swap (as defined in the Applicable Listing Rules) or spin-off (as defined in the Applicable Listing Rules); and (b) the shares of the surviving company in the Merger, the transferee company in the general assumption or the existing company or newly-incorporated company in the share swap or spin-off will not be registered or listed on any Designated Stock Market.
"Designated Stock Market"	means the Taiwan Stock Exchange Corporation or the Taipei Exchange in Taiwan.
"Director"	means any member of the Board of Directors (including the Independent Director) for the time being of the Company.
"Dividend"	includes bonus.
"Family Relationship within Second Degree of Kinship"	in respect of a person, means another person who is related to the first person either by blood or by marriage of a member of the family and within the second degree to include but not limited to the parents, siblings, grandparents, children and grandchildren of the person as well as spouse's parents, siblings and grandparent.
"Independent Director"	as defined in the ROC SEA and rules and regulations promulgated thereunder;
"Joint Operation Contract"	a contract between the Company and one or more person(s) or entit(ies) where the parties to the contract agree to pursue the same business venture and jointly bear losses and enjoy profits arising out of such business venture in accordance with the terms of such contract.

"Lease Contract"	means a contract or arrangement between the Company and any other person(s) pursuant to which such person(s) lease or rent from the Company the necessary means and assets to operate a material or substantial part of the business of the Company in the name of such person and for the benefits of such person, and as consideration, the Company receives a pre-determined compensation from such person.
"Litigious and Non-Litigious Agent"	means a person appointed by the Company pursuant to the Applicable Law as the Company's process agent for purposes of service of documents in the relevant jurisdiction.
"Management Contract"	means a contract or arrangement between the Company and any other person(s) pursuant to which such person(s) manage and operate the business of the Company in the name of the Company and for the benefits of the Company, and as consideration, such person(s) received a pre-determined compensation while the Company continues to be entitled to the profits (or losses) of such business.
"Managing Director"	means a Director who, by virtue of an agreement with the Company or of a resolution passed by the Company in general meeting or by the Board or by virtue of the Memorandum or Articles, is entrusted with substantial powers of management which would not be otherwise exercisable by him, and includes a Director occupying the position of Managing Director, by whatever name called.
"Member"	shall bear the meaning as ascribed to it in the Statute.
"Memorandum "	means the memorandum of association of the Company as may from time to time be amended;
"Merger"	means a transaction whereby: <ul style="list-style-type: none"> <li>(a) (i) all of the companies participating in such transaction are dissolved, and a new company is incorporated to generally assume all rights and obligations of the dissolved companies; or (ii) all but one company participating in such transaction are dissolved, and the surviving company generally assumes all rights and obligations of the dissolved companies, and in each case the consideration for the transaction being the shares of the surviving or newly incorporated company or any other company, cash or other assets; or</li> <li>(b) other forms of mergers and acquisitions which fall within the definition of "merger and/or consolidation" under the Statute or Applicable Law.</li> </ul>
"Month"	means calendar month.

"Ordinary Resolution"	means a resolution passed at a general meeting (or, if so specified, a meeting of Members holding a class of Shares) of the Company of which a quorum in accordance with Article 35 is present by a majority of more than one-half of the votes cast by such Members as, being entitled so to do, vote in person, or in the case of any Member being a corporation, by its duly authorised representative, or where proxies are allowed, by proxy;
"Paid-up"	means paid-up and/or credited as paid-up.
"Registered Office"	means the registered office for the time being of the Company.
"Register of Members"	means the register of Members of the Company maintained in accordance with the Statute and Applicable Law.
"Restricted Shares"	has the meaning given thereto in Article 7.
"ROC"	means the Republic of China.
"ROC Company Law"	means the Company Law of the ROC as amended and every statutory modification or re-enactment thereof for the time being in force.
"ROC SEA"	means the Securities and Exchange Act of the ROC as amended and every statutory modification or re-enactment thereof for the time being in force.
"ROC Securities Regulation"	means the Securities and Exchange Act of the ROC and the rules and regulations promulgated thereunder.
"Rules of Audit Committee"	means rules of Audit Committee of the Company, as amended or substituted from time to time as prescribed in the Applicable Law.
"Seal"	means the Common Seal of the Company and includes every duplicate seal.
"Secretary"	includes an Assistant Secretary and any person appointed to perform the duties of Secretary of the Company.
"Share"	includes a fraction of a share.
"Shareholders' Service Agent"	means the agent licensed by Taiwan authorities to provide certain shareholders services in accordance with the Applicable Law to the Company.
"Share Premium Account"	means the share premium account established in accordance with these Articles and the Statute.
"Solicitor"	means any Member, a trust enterprise or a securities agent mandated by Member(s), who solicits an instrument of proxy from any other Member to appoint him/it as a proxy to attend and vote at a general meeting, pursuant to the Applicable Law.

"Special Resolution"	means a resolution passed at a general meeting (or, if so specified, a meeting of Members holding a class of Shares) of the Company of which a quorum in accordance with Article 35 is present by a majority of at least two-thirds of the vote cast by such Member as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which the quorum is present, specifying (without prejudice to the power contained in these Articles to amend the same) the intention to propose the resolution as a special resolution.
"Statute"	means the Companies Law of the Cayman Islands as amended and every statutory modification or re-enactment thereof for the time being in force.
"Subsidiary"	any other person or entity that directly, or indirectly through one or more intermediaries, is controlled by, or is under common control with the Company. For the purposes of this definition, "control" (including the terms "controlling", "controlled by" and "under common control with"), shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of the Company, whether through ownership of voting securities, by contract, agency or otherwise;
"Supermajority Resolution"	means a resolution adopted by a majority vote cast by the Members, as being entitled to do so, vote in person or where proxies are allowed, by proxy, at a general meeting attended by Members who represent two-thirds or more of the total issued Shares of the Company or, if the total number of Shares represented by the Members present at the general meeting is less than two-thirds of the total outstanding Shares of the Company, but more than one-half of the total issued Shares of the Company, means instead, a resolution adopted at such general meeting by two-thirds or more of the Members, as being entitled to do so, vote in person or where proxies are allowed, by proxy, at such general meeting.
"Supermajority Special Resolution"	means a Special Resolution approved by Members holding at least two-thirds (2/3) of the Shares in issue at the time of the general meeting.
"Treasury Shares"	means Shares that were previously issued but were purchased, redeemed, otherwise acquired by or surrendered to the Company which are held by the Company and not cancelled.
"Written" and "In Writing"	include all modes of representing or reproducing words in visible form.

Words importing the singular number only include the plural number and vice versa.

Words importing the masculine gender only include the feminine gender.

Words importing persons only include corporations.

2. The business of the Company may be commenced as soon after incorporation as the Board shall

see fit, notwithstanding that part only of the Shares may have been allotted.

3. The Board may pay, out of the capital or any other monies of the Company, all expenses incurred in or about the formation and establishment of the Company including the expenses of registration.

### **CERTIFICATES FOR SHARES**

4. Shares of the Company may be issued in uncertificated/scripless form. If Shares are issued in certificated forms, certificates representing Shares of the Company shall be in such form as shall be determined by the Board. Such certificates may be under Seal. All certificates for Shares shall be consecutively numbered or otherwise identified and shall specify the Shares to which they relate. The name and address of the person to whom the Shares represented thereby are issued, with the number of Shares and date of issue, shall be entered in the register of Members of the Company. All certificates surrendered to the Company for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of Shares shall have been surrendered and cancelled. The Board may authorize certificated to be issued with the seal and authorised signature(s) affixed by some method or system of mechanical process.
- 4A. In the event the Board resolves that Share certificates shall be issued pursuant to Article 4 hereof, the Company shall deliver the Share certificates to the subscribers within thirty (30) days from the date such Share certificates may be issued pursuant to the Statute, the Memorandum of Association, the Articles, and the rules of Designated Stock Market, and shall make a public announcement prior to the delivery of such Share certificates pursuant to the rules of Designated Stock Market.
5. Notwithstanding Article 4 of these Articles, if a Share certificate be defaced, lost or destroyed, it may be renewed on payment of a fee of one dollar (US\$1.00) or such less sum and on such terms (if any) as to evidence and indemnity and the payment of the expenses incurred by the Company in investigating evidence, as the Board may prescribe.
6. Share certificates may not be issued in bearer form.

### **ISSUE OF SHARES**

7. (a) Subject to the requirements of these Articles and Applicable Law, the issuance of Shares or securities shall be at the disposal of the Board of Directors provided that the issuance must be approved by a majority vote cast at a meeting of the Board with two-thirds (2/3) or more of the total number of Directors present and where Shares carrying any deferred, additional or special rights are proposed to be issued, such issuance shall require the approval of the Members in accordance with Article 7(b) below. Subject to the foregoing, the Board may offer, allot, grant options over, or otherwise dispose of them to such persons, on such terms and conditions as the Board may in their absolute discretion determine, but so that no Share shall be issued at a discount, except in accordance with the provisions of the Statute.
- (b) Subject to these Articles and to any resolution of the Members to the contrary, the rules of the Designated Stock Market, and without prejudice to any special rights previously conferred on the holders of any existing Shares or class of Shares, where the Board proposes to issue any Share that carry any deferred, additional or special rights (including the issue or grant of options, warrants and other rights, renounceable or otherwise in respect of such Shares), such issuance shall be subject to the prior approval of the Members by way of Special Resolution and the Members may by Special Resolutions approve the issuance of any Share with such preferred, deferred or other special rights or such restrictions, whether in regard to Dividend, voting, return of capital, or otherwise, provided that no Share shall be issued at a discount except in accordance with the Statute; and , the Memorandum and these

Articles shall thereupon be amended with the sanction of a Special Resolution to stipulate the rights, benefit and restriction of any such preferred or deferred Shares, including but not limited to the following terms, and the same shall apply to any variation of rights, benefit and restriction of such preferred or deferred Shares:

- (i) number of the preferred or deferred Shares issued by the Company and the number of the preferred or deferred Shares the Company is authorized to issue;
  - (ii) order, fixed amount or fixed ratio of allocation of dividends and bonus on the preferred or deferred Shares;
  - (iii) order, fixed amount or fixed ratio of allocation of surplus assets of the Company;
  - (iv) order of or restriction on the voting right(s) (including declaring no voting rights whatsoever) of a holder of the preferred or deferred Shares;
  - (v) other matters concerning rights, benefit and restriction incidental to the preferred or deferred Shares; and
  - (vi) the method by which the Company is authorized or compelled to redeem the preferred or deferred Shares, or a statement that redemption rights shall not apply.
- (c) The Company may resolve by a Supermajority Resolution to issue Shares with restrictions on transferability and/or other rights (“Restricted Shares”) to employees. In respect of the issuance of Restricted Shares for employees, the number of Shares to be issued, issue price, issue conditions and other matters shall be subject to the Applicable Law.

8. (a) The Company shall maintain a register of its Members which may be kept outside the Cayman Islands at such place as the Board shall approve and every Member shall be entitled, without payment, to a certificate of the Company specifying the Share or Shares held by him and the amount paid up thereon after the name of Member is entered in the Register of Members in respect of such Shares acquired by such Member. The Company shall, within thirty (30) days from the date that the name of a Member is entered in the Register of Members in respect of such Shares subscribed by such Member, issue Share certificates in accordance with these Articles and deliver the Share certificates to the Members, unless the Shares of the Company are issued in scripless form. In respect of a Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a Share to one of several joint holders shall be sufficient delivery to all.
- (b) Where the Shares are issued in scripless form and where applicable, the Company shall, within thirty (30) days from the date that the name of a Member is entered in the Register of Members in respect of such Shares subscribed by such Member, procure and instruct the relevant depository or clearing house to make the necessary book entries to reflect the entitlement of the relevant Member in accordance with Applicable Law. The Company shall publicly announce in the matter permitted by Applicable Law the time and procedure for Members to collect the Share certificates. Subject to the Applicable Law, so long as the Shares are listed on the Designated Stock Market, the Company shall issue the Shares in scripless form provided that the Company shall register with the securities central depository in Taiwan.
- (c) The Board may cause to be kept in any country or territory one or more branch registers of such category or categories of members as the Board may determine from time to time and any branch register shall be deemed to be part of the Company’s register of members.
- (d) Any register maintained by the Company in respect of listed Shares, which are defined as the Shares of the Company traded or listed on an Approved Stock Exchange, may be kept by recording the particulars set out in section 40 (as amended from time to time) of the Statute in a form otherwise than legible if such recording otherwise complies with the laws applicable to and the rules and regulations of the relevant Approved Stock Exchange provided that if a listed Shares register is maintained, the Company must also maintain, in respect of any Shares of the Company which are not listed Shares, a separate register of members in accordance with section 40 (as amended from time to time) of the Statute.
9. Subject to Article 9A, notwithstanding any other provision in these Articles, all Shares of the Company must be fully paid for or credited as fully paid up upon issue.

- 9A. If a subscriber fails to pay any call or instalment of call with respect of any Shares on the day appointment for payment, the Directors may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued, within a period of not less than 1 month from the date of the notice given by the Directors. The notice shall name a further day (not earlier than the expiration of aforesaid one month or longer period from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the Shares in respect of which the call was made will be liable to be forfeited. If the requirements of any such notice as aforesaid are not complied with, any Share in respect of which the notice has been given may at any time thereafter, before the payment required by notice has been made, be forfeited by a determination of the Directors to that effect. A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit. A person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which at the date of forfeiture were payable by him to the Company in respect of the Shares forfeited, but his liability shall cease if and when the Company receives payment in full of the amount unpaid on the Shares forfeited. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes due and payable, whether on account of the amount of the Share, or by way of premium, as if the same had been payable by virtue of a call duly made and notified. Under the aforesaid circumstances, compensation for loss or damage, if any, may still be claimed against such defaulting Member.

### **TRANSFER OF SHARES**

10. All transfers of Shares which are in certificated form may be effected by transfer In Writing in any usual form or in any other form which the Board may approve and shall be executed by or on behalf of the transferor and, unless the Share is fully paid up, by or on behalf of the transferee. Without prejudice to the last preceding Article, the Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers.
11. Any transfer in respect of Shares of the Company which are traded or listed on an Approved Stock Exchange may be evidenced and transferred in accordance with the laws applicable to and the rules and regulations of the relevant Approved Stock Exchange that are or shall be applicable to such Shares of the Company which are traded or listed on such an Approved Stock Exchange.
12. The registration of transfers may be suspended at such time in accordance with Article 22, or otherwise for such periods as the Board may from time to time determine appropriate subject to the requirements of the Articles and the Applicable Laws.

### **REDEEMABLE SHARES AND REPURCHASE OF SHARES**

13. Subject to the compliance with the Applicable Law,
- (a) Subject to the provisions of the Statute and the Memorandum of Association, Shares may be issued on the terms that they are, or at the option of the Company or the holder are, to be redeemed on such terms and in such manner as the Company, before the issue of the Shares, may by Special Resolution determine.
  - (b) Subject to the Statute, the Company's Memorandum and these Articles and, where applicable, the rules of the Designated Stock Market and/or any competent regulatory authority, the Company shall have the power to purchase or otherwise acquire its own Shares, including a

purchase of Shares in connection with Article 62 and to accept the surrender of its fully paid up Shares without consideration, and such power shall be exercisable by the Board upon such terms and subject to such conditions as it thinks fit and any determination by the Board of the manner of purchase shall be deemed authorised by these Articles for purposes of the Statute. For so long as the Shares are listed on the Designated Stock Market, the purchase of the Shares by the Company shall be subject to the ROC Securities Regulation. The Company may make payments in respect of the purchase of its Shares out of capital or out of any other account or fund legally available in accordance with the Statute.

- (c) [Deleted]
- (d) Shares that the Company purchases, redeems or acquires (by way of surrender or otherwise) may be cancelled immediately or held as Treasury Shares in accordance with the Statute and on such terms and conditions as determined by the Board. In the event that the Board do not resolve that the relevant Shares are to be held as Treasury Shares, such Shares shall be cancelled.
- (e) [Deleted]
- (f) The Company shall be entered in the Register as the holder of the Treasury Shares provided that:
  - (i) the Company shall not be treated as a Member for any purpose and shall not exercise any right in respect of the Treasury Shares, and any purported exercise of such a right shall be void;
  - (ii) any Treasury Share shall not be voted, directly or indirectly, at any meeting of the Company and shall not be counted in determining the total number of issued Shares at any given time, whether for the purposes of these Articles or the Statute.
  - (iii) subject to other provisions in these Articles, Treasury Shares may be disposed of, transferred or cancelled by the Company on such terms and conditions as determined by the Board.
- (g) Without prejudice to the generality of Article 13(f)(iii) and subject to compliance with the Statute, the Company may transfer the Treasury Shares to the employees of the Company and/or of the Company's Subsidiary(ies), and the Board may impose a lock-up period restricting the transfer of any Treasury Shares transferred to the employees pursuant to this Article 13(g) for a term of up to two (2) years.
- (h) [Deleted]
- (i) Subject as aforesaid, the Board may determine, as they think fit all questions that may arise concerning the manner in which the redemption of the Shares shall or may be effected.
- (j) Subject to Applicable Law and the requirements of these Articles, the Company may, by a majority vote cast at a meeting of the Board at which two thirds (2/3) or more of the total number of Directors are present, grant such number of employee stock options, which together with all the outstanding employee stock options, represents up to fifteen percent (15%) of the Company's outstanding Shares as at the date of the resolution, and set forth the terms of employee stock option issuance and exercise plan. An employee stock option shall not be transferrable, except through transfer by inheritance or intestacy.

#### **VARIATION OF RIGHTS OF SHARES**

- 14. (a) If at any time the Share capital of the Company is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, whether or not the Company is being wound up, be varied with the sanction of a Special Resolution passed at a general meeting of the holders of the Shares of that class.
  - (b) The provisions of these Articles relating to general meetings shall apply to every such general meeting of the holders of one class of Shares.
15. The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu*

therewith.

### **NON-RECOGNITION OF TRUSTS**

16. No person shall be recognized by the Company as holding any Share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future, or partial interest in any Share, or any interest in any fractional part of a Share, or (except only as is otherwise provided by these Articles or the Statute) any other rights in respect of any Share except an absolute right to the entirety thereof in the registered holder.

### **REGISTRATION OF EMPOWERING INSTRUMENTS**

17. The Company shall be entitled to charge a fee not exceeding one dollar (US\$1.00) on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney, notice in lieu of distringas, or other instrument.

### **TRANSMISSION OF SHARES**

18. In case of the death of a Member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the Shares, but nothing herein contained shall release the estate of any such deceased holder from any liability in respect of any Shares which had been held by him solely or jointly with other persons.
19. (a) Any person becoming entitled to a Share in consequence of the death or bankruptcy or liquidation or dissolution of a Member (or in any other way than by transfer) may, upon such evidence being produced as may from time to time be required by the Board and subject as hereinafter provided, elect either to be registered himself as holder of the Share or to make such transfer of the Share to such other person nominated by him as the deceased or bankrupt person could have made and to have such person registered as the transferee thereof, but the Board shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the Share by that Member before his death or bankruptcy as the case may be.  
(b) If the person so becoming entitled shall elect to be registered himself as holder he shall deliver or send to the Company a notice in Writing signed by him stating that he so elects.
20. A person becoming entitled to a Share by reason of the death or bankruptcy or liquidation or dissolution of the holder (or in any other case than by transfer) shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company PROVIDED HOWEVER that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the Share and if the notice is not complied with within ninety days the Board may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the Share until the requirements of the notice have been complied with.

### **AMENDMENT OF MEMORANDUM OF ASSOCIATION, CHANGE OF LOCATION OF REGISTERED OFFICE & ALTERATION OF CAPITAL**

21. (a) Subject to and in so far as permitted by the provisions of the Statute, the Company may from time to time by Special Resolution alter or amend its Memorandum of Association to:

- (i) increase the Share capital by such sum to be divided into Shares of such amount or without nominal or par value as the resolution shall prescribe and with such rights, priorities and privileges annexed thereto, as the Company in general meeting may determine.
  - (ii) consolidate any of its Share capital into Shares of larger amount than its existing Shares;
  - (iii) subdivide its existing Shares or any of them into Shares of smaller amount than is fixed by the Memorandum of Association or into Shares without nominal or par value; or
  - (iv) cancel any Shares which at the date of passing of the resolution have not been taken or agreed to be taken by any person.
- (b) All new Shares created hereunder shall be subject to the same provisions with reference to the same provisions as the Shares in the original Share capital.
  - (c) Subject to the provisions of the Statute, the Company may by Special Resolution change its name or alter its objects.
  - (d) Subject to the provisions of the Statute, the Company may by Special Resolution reduce its Share capital or any capital redemption reserve fund in any manner permitted by the Statute.
  - (e) Subject to the provisions of the Statute, the Company may by resolution of the Board change the location of its Registered Office.
- 21A. (a) The Shares reduced following a capital reduction may not be cancelled unless a Special Resolution on capital reduction has been adopted by the Members; and capital reduction shall be effected based on the percentage of shareholding of the Members pro rata.
- (b) Subject to the approval by the Grand Court of the Cayman Islands and the Applicable Law, the Company reducing its capital may return Share capital to Members by properties other than cash provided that the returned property and the amount of such substitutive capital contribution shall require a Special Resolution of the Members and consent from the Members who receive such property.
- (c) The Board shall first have the value of such property and the amount of such substitutive capital contribution set forth in the preceding paragraph audited and certified by a certified public accountant of the ROC before the general meeting.

#### **CLOSING REGISTER OF MEMBERS OF FIXING RECORD DATE**

22. The Register of Members shall be closed for sixty (60) days prior to the date the annual general meeting is scheduled to convene and thirty (30) days prior to the date the extraordinary general meeting is scheduled to convene. For the purpose of determining Members entitled to notice of or to vote at any such annual or extraordinary general meeting of Members or any adjournment thereof, the Board of the Company are entitled to fix a record date by reference to the proposed date of such annual or extraordinary general meeting of Members.
23. For the purpose of determining the Members entitled to receive payment of any Dividend or distribution, the Register of Members shall be closed for five (5) days prior to the date of the declaration of such Dividend or distribution in accordance with Article 111. Subject to the requirements of these Articles, Members whose names are recorded in the Register of Members upon commencement of the above closure period shall be entitled to receive payment of any Dividend or distribution, whichever the case may be.

#### **PRE-EMPTIVE RIGHTS OF EXISTING MEMBERS**

24. Unless waived by an Ordinary Resolution of Members, the Company shall, when conducting any Share offering other than an issuance of Shares resulting from or in connection with any Merger, split-off, asset acquisition, group reorganisation, Share swap, Share subdivision, exercise of Share options, warrants or awards granted to employees, conversion of convertible securities or debt instruments, private placement or pursuant to resolutions of the Board passed conditionally or unconditionally before the date these Articles became effective, subject to the Employees

Pre-emptive Rights (if any), grant to the Members pre-emptive rights (the "Members Pre-emptive Rights") to subscribe for new Shares of the Company in proportion respectively to their then shareholdings and advise Members, by public announcement in such manner as may be permitted by the Applicable Law and give notice to the Members of their pre-emptive rights. The Company may, if so resolved by the Board, grant to the employees (the "Employees Pre-emptive Rights") of the Company and/or of the Company's Subsidiary(ies) pre-emptive rights to subscribe for 10% to 15% of the total number of Shares offered in the abovementioned Share offering and the Members Pre-emptive Rights shall be made subject to the Employees Pre-emptive Rights; provided, however, that the Board may impose a lock-up period restricting the transfer of any Shares subscribed by the Employees pursuant to this Article 26 for a term of up to two (2) years.

25. The Company shall include in its notice to the Members an explanation relating to the Share offering and procedures as to how their pre-emptive rights may be exercised, and shall specify the terms and conditions (as determined by the Board in its absolute discretion) in accordance with which the Members may exercise their pre-emptive rights. The Company shall also indicate in the notice that Members' failure to exercise their pre-emptive right in the manner so specified (including failing to exercise pre-emptive rights prior to the deadline) shall be deemed a waiver to such right. Where an exercise of the pre-emptive rights may result in fractional entitlement, the fractional entitlements of two or more Members may be aggregated to jointly subscribe for one or more whole new Shares in the name of a single Member, subject to compliance with such discretions and terms and conditions as determined by the Board. Any Share not taken up in the Share offering may be offered by the Company to the public or for subscription by designated person(s).
26. When the Company conducts a share offering other than issuance of Shares resulting from or in connection with any Merger, split-off, asset acquisition, group reorganisation, Share swap, Share subdivision, exercise of Share options, warrants or awards granted to employees, conversion of convertible securities or debt instruments or private placement within the ROC in accordance with the ROC SEA and the ROC Regulations Governing the Offering and Issuance of Securities by Foreign Securities Issuer, unless the ROC competent authority deems the public offering of the new Shares unnecessary or inappropriate, ten percent (10%) or any greater percentage as resolved by the Members at a general meeting (if any) of the total number of new Shares to be issued shall be made available for public investors by way of public offering within the ROC in accordance with Applicable Law.

26A. [Deleted]:

## **GENERAL MEETING**

27. (a) The Company shall in each year hold a general meeting as its annual general meeting no later than six (6) Months after the close of each financial year. General meetings other than annual general meetings shall be called extraordinary general meetings.
- (b) General meetings of the Company shall be convened by the Board and may be held at such time and place as may be determined the Board. Such meeting shall be convened in the ROC, and may be convened outside the territory of the ROC only if an application has been submitted to the Designated Stock Market for approval within two (2) days after the date of the Board resolve to convene such meeting, and such approval has been obtained by the Company.
- (c) When a general meeting is convened outside the territory of the ROC, the Company shall appoint an agent of stock affairs within the ROC to administer and handle affairs relating to voting by Members at such general meeting.
- (d) To the maximum extent permitted under the laws of the Cayman Islands and the Statute, the Members may, by Ordinary Resolution, adopt or amend any rules and procedures, including the Procedural Rules of General Meeting of Members governing the general meeting of the Members. In the event of any inconsistency between the main content of these Articles and

the Procedural Rules of General Meeting of Members, the Articles shall prevail to the extent required by any Applicable Law.

28. One or more Member(s) holding three percent (3%) or more of the total number of the outstanding voting Shares of the Company continuously for a period of one (1) year or more, by filing with the Company a Written proposal setting forth therein the subjects for discussion, consideration and approval and the reasons thereof, shall be entitled to request the Board to convene an extraordinary general meeting of the Company.
29. If the Board does not within fifteen (15) days after receiving the request duly proceed to call an extraordinary general meeting, the Member(s) making such request may convene an extraordinary general meeting by sending out a notice of general meeting in accordance with Article 30. The Board will not be required to prepare the manual referred to in Article 32 where a general meeting is convened by Member(s) according to this Article 29. Such meeting shall be held within the ROC and may be convened outside the territory of the ROC only if an application has been submitted to the Designated Stock Market for approval and such approval has been obtained. Subject to the aforesaid, a general meeting convened as aforesaid by requisitionists shall be convened in the same manner as nearly as possible as that in which general meetings are to be convened by the Board.

#### **NOTICE OF GENERAL MEETINGS**

30. At least thirty (30) days' notice of an annual general meeting and fifteen (15) days' notice for an extraordinary meeting (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which the notice is given) shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held and, as far as practicable, the other business to be conducted at the meeting.
31.
  - (a) Any notice or document, whether or not, to be given or issued under these Articles from the Company to a Member shall be In Writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such notice and document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the register of Members or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the notice being duly received by the Member or may also be served by advertisement in appropriate newspapers in accordance with the requirements of the Designated Stock Market or, to the extent permitted by the applicable laws, by placing it on the Company's website or the website of the Designated Stock Market. In the case of joint holders of a Share all notices shall be given to that one of the joint holders whose name stands first in the register of Members and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.
  - (b) Any notice shall be deemed to have been served at the time when the same would be delivered in the ordinary course of transmission and, in proving such service, it shall be sufficient to prove that the notice was properly addressed and prepaid, if posted, and the time when it was posted, delivered to the courier or to the cable company or transmitted by telex, facsimile, electronic mail, or such other method as the case may be.
  - (c) Notwithstanding anything to the contrary, for as long as the Company's Shares are listed on the Designated Stock Market, any requirement with respect to notice, including the manners and means of which such notice is sent, shall be in compliance with the Applicable Law and the rules of the Designated Stock Market.
  - (d) The accidental omission to give notice of a general meeting to, or the non-receipt of notice of

a meeting by any person entitled to receive notice shall not invalidate the proceedings of that meeting.

- (e) A notice may be given by the Company to person or persons which the Company has been advised are entitled to a Share or Shares in consequence of the death or bankruptcy of a Member by sending it through the post as aforesaid in a pre-paid letter addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description at the address supplied for that purpose by the persons claiming to be so entitled, or at the option of the Company by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.
- (f) Notice of every general meeting shall be given in any manner hereinbefore authorised to:
  - (i) every person shown as a Member in the register of Members as of the record date for such meeting except that in the case of joint holders the notice shall be sufficient if given to the joint holder first named in the register of Members.
  - (ii) every person upon whom the ownership of a Share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a Member of record where the Member of record but for his death or bankruptcy would be entitled to receive notice of the meeting; and
- (g) No other person shall be entitled to receive notices of general meetings.

### **MANUAL AND PROPOSAL FOR DISCUSSION**

- 32. (a) The Board shall prepare a manual setting out the agenda of a general meeting of Members (including all the subjects and matters to be resolved at the meeting) and for as long as the Company's Shares are listed on the Designated Stock Market shall make public announcement(s) in a manner permitted by Applicable Law to disclose the contents of such manual together with other information related to the said meeting at least twenty-one (21) days prior to the date of the relevant annual general meeting and at least fifteen (15) days prior to the date of the relevant extraordinary general meeting. Such manual shall at all times be distributed to the Members attending the general meeting in person, by proxy or by corporate representative(s) (where the Member is a corporation) at the general meeting.
  - (b) For as long as the Company's Shares are listed on the Designated Stock Market, the Board shall prepare, in electronic form, the notice of the general meeting, proxy instrument, matters for consideration and discussion, and where applicable, information relating to the election or removal of Directors, and shall upload such information to an electronic database designated by the Designated Stock Market thirty (30) days prior to a general annual meeting and fifteen (15) days prior to an extraordinary annual meeting. If the Company allows the Members to exercise the votes and cast the votes In Writing or by way of electronic transmission, the Company shall also send to the Members the information and documents as described in the preceding paragraph, together with the voting right exercise forms.
33. One or more Members holding in aggregate not less than one percent (1%) of the Company's total and outstanding Shares may submit a matter In Writing or by way of electronic transmission to the Company for discussion at an annual general meeting. The Company, for as long as the Company's Shares are listed on the Designated Stock Market, shall give a public notice in such manner as permitted by Applicable Law deemed appropriate by the Board specifying the place and a period of not less than ten (10) days for Members to submit proposals. A proposal submitted for discussion at an annual general meeting, at all times, shall be accepted unless one or more Members submitting such proposal holds less than one percent (1%) in aggregate of the Company's total and outstanding Shares, or where the proposal consists of a matter which does not constitute a lawful object for a resolution of a general meeting in accordance with or under the Applicable Laws, or where more than one matter is included in the proposal, or where the proposal submitted exceeds three hundred words, or where the proposal is not submitted within the specified period determined by the Board ; provided, however, that if the proposal submitted is to urge the Company to facilitate the public interest or perform social responsibility, the Board may accept that proposal and arrange for it being discussed at the annual general meeting.

Subject to Article 34 and to the extent permitted under the Statute, a Member may, if so approved by the chairman of the relevant general meeting, bring forward any matter(s) during a general meeting for the consideration, discussion or approval by the Members at such general meeting, provided such matter(s) falls within the scope and directly relates to a matter included in the notice of general meeting.

34. Subject to these Articles, the following matters may not be considered, discussed or proposed for approval at a general meeting unless they have been included in the notice of general meeting with reasonable amount of explanation:
- (a) any election or removal of Directors;
  - (b) any amendment or modification to the Memorandum of Association or these Articles, including any change of the Company name;
  - (c) any reduction in share capital of the Company;
  - (d) application for de-registration as a public company;
  - (e) any dissolution, voluntary winding-up, Merger, split-up or share swap (as defined in the Applicable Listing Rules) of the Company;
  - (f) any proposal for the Company to enter into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract;
  - (g) transfer whole or any substantial part of the Company's business or assets;
  - (h) acquisition of whole of the business or assets of a third-party, which materially affects the operation of the Company;
  - (i) any issuance of equity-linked securities of the Company by way of private placement;
  - (j) to the extent permitted by Applicable Law, any proposal to approve a Director to engage in competitive activities with the Company;
  - (k) upon recommendation of the Board, any proposal to distribute part or all of its Dividends or bonus by way of issuance of new Shares;
  - (l) upon recommendation of the Board, any proposal to distribute the Capital Reserves arising from the profits, the income derived from the issuance of new Shares at a premium and standing to the credit of the Share Premium Account or the income from endowments received by the Company, in whole or in part by way of issuance of new Shares of the Company or by cash, to the then Members in proportion to the number of Shares being held by each of them;
  - (m) transfer of Treasury Shares to the employees of the Company and/or of the Company's Subsidiary(ies) for a consideration that is less than the consideration paid by the Company in accordance with Article 13(g);
  - (n) any issuance of employee stock options pursuant to ROC Regulations Governing the Offering and Issuance of Securities by Foreign Securities Issuer referring to Article 56-1 of ROC Regulations Governing the Offering and Issuance of Securities by Securities Issuer;
  - (o) any issuance of Restricted Shares pursuant to ROC Regulations Governing the Offering and Issuance of Securities by Foreign Securities Issuer referring to Article 60-2 of ROC Regulations Governing the Offering and Issuance of Securities by Securities Issuer; and
  - (p) the Delisting.

#### **PROCEEDINGS AT GENERAL MEETINGS**

35. (a) Save as herein otherwise provided (in particular, Article 47) and subject to any additional requirements provided for under these Articles, one or more Members holding in the aggregate more than one-half (1/2) of the total issued Share capital of the Company present in person or by proxy and entitled to vote shall be a quorum for convening a general meeting. If the Company shall at any time have only one Member, one Member present in person or by proxy shall form a quorum for the transaction of business at any general meeting of the Company held during such time.
- (b) No business shall be transacted at any general meeting unless a quorum of Members is present at the time that the meeting proceeds to business. If a quorum of Members is not present at the commencement time of a general meeting, the chairman of the general meeting

may postpone the commencement time of the general meeting not more than twice provided that the total postponement time shall not exceed one hour from the original commencement time. If after two postponements the number of Shares represented by the attending Members has not yet constitute more than one-half (1/2) of the total issued Shares, the chairman shall announce the dissolution of the Meeting.

36. (a) The chairman, if any, of the Board shall preside as chairman at every general meeting of the Company, or if there is no such chairman, or if he shall not be present, the Directors present shall elect one of their number to be chairman of the meeting.
  - (b) Any one or more Shareholders holding in aggregate more than half of the total number of the issued Shares of the Company for at least three (3) consecutive months may convene an extraordinary general meeting. The determination of the afore-mentioned holding period and number of Shares shall be based on the Shares held immediately prior to the relevant book close period.
  - (c) If at any general meeting no Director is willing to act as chairman or if no Director is present, the Members present shall choose one of their number to be chairman of the meeting.
  - (d) The Board of Directors or any person who is entitled to convene a general meeting pursuant to Article 36(b) above or under these Articles may demand the Company or its Shareholders' Service Agent to provide the Register of Members.
37. The Members may resolve to adjourn the meeting within five days in accordance with Article 182 of the ROC Company Act.
  38. The agenda of the general meeting shall be set by the Board of Directors if it is convened by the Board of Directors. Unless otherwise resolved at the general meeting, a general meeting shall proceed in accordance with the agenda. Unless otherwise resolved at the general meeting, or in exceptional cases, when there are incidents that temporarily prevent the normal progress of the general meeting, the chairman may decide to temporarily suspend the meeting and announce, depending on the situation, the time that the meeting will resume, the chairman cannot announce adjournment of the meeting before all items listed in the agenda are resolved. In case that the chairman adjourns the general meeting in violation of the Procedural Rules of General Meeting of Members, other members of the Board of Directors shall promptly assist the attending Members to elect, by a majority of votes represented by attending Members present in the Meeting, another person to serve as the chairman to continue the meeting in accordance with due procedures.
  39. Resolutions made at a general meeting shall be compiled in the form of minutes. The chairman shall affix his/her signature or seal to the minutes, which shall be issued to Members within twenty (20) days after the end of the meeting. Minutes may be produced and issued to Members in electronic form. For as long as the Company's Shares are listed on the Designated Stock Market, the minutes may be issued to Members by means of a public notice in accordance with Article 31(a).

#### **VOTES OF MEMBERS**

40. A resolution shall be voted on by way of a poll. Subject to the provisions of the Statute and these Articles, any question proposed for the consideration of the Members at any general meeting shall be decided by way of an Ordinary Resolution, unless such question proposed is required to be decided by a Special Resolution or Supermajority Resolution pursuant to the provisions of these Articles or the Statute.
41. Voting at a general meeting shall be based on the number of Shares issued and held by the Members. On a poll, every Member present in person or by proxy and entitled to vote shall have one vote for each Share of which he is the holder.
42. In the case of joint holders of record the vote of the senior who tenders a vote, whether in person

or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

43. A Member of unsound mind, or in respect of whom an order has been made by any court, having jurisdiction in lunacy, may vote by his committee, receiver, curator bonis, or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other persons may vote by proxy.
44. No Member shall be entitled to vote at any general meeting unless he is registered as a shareholder of the Company on the record date for such meeting nor other sums presently payable by him in respect of Shares in the Company have been paid.
45. To the extent required by the Applicable Law, the Member who bears a personal interest that may conflict with and impair the interests of the Company in respect of any matter proposed for consideration and approval at a general meeting shall abstain from voting any of the Shares that such Member should otherwise be entitled to vote in person, as a proxy for another Member or corporate representative with respect to the said matter, but all such Shares shall be counted in the quorum for the purpose of convening a general meeting pursuant to Article 35(a); provided that such Member shall not be counted as person being entitled to vote for such matter(s); the Shares of Members who are required to abstain from voting shall not be included in the total number of issued Shares voting on the relevant resolutions. To the extent that the Company has knowledge, any votes cast by or on behalf of such Member in contravention of the foregoing shall not be counted by the Company.
46. Shares of the Company held by the following persons and restricted stock or other stock without voting rights of the Company shall not carry any voting rights and shall not be counted in the total number of outstanding Shares of the Company which are entitled to vote for purposes of convening a general meeting pursuant to Article 35(a):
  - (a) the Company; or
  - (b) any entity in which the Company is legally or beneficially interested in more than fifty percent (50%) of its issued and voting Share capital or equity capital; or
  - (c) any entity in which the Company and (i) its holding company, (ii) its Subsidiary or (iii) any Subsidiary of its holding company are legally or beneficially interested in more than fifty percent (50%) of its issued and voting Share capital or equity capital.
47. Subject to any additional and applicable requirements under the Statute, the following matters require approval of the Members by way of a Supermajority Resolution:
  - (a) any proposal of the Company to enter into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contracts;
  - (b) any proposal to transfer or dispose of the whole or any substantial part of the Company's business or assets;
  - (c) any proposal to acquire the whole of the business or assets of a third-party, which will have material effect on the operations of the Company;
  - (d) upon recommendation of the Board, any proposal to distribute Dividends or other distributions in whole or in part by way of issuance of new Shares of the Company; for the avoidance of doubts, the allotment of bonus shares in connection with the Employees' Remunerations and Directors' Remunerations pursuant to Article 112 shall not require the approval of a Supermajority Resolution;
  - (e) any Merger, split-off or share swap (as defined in the Applicable Listing Rules) of the Company, provided that any Merger which falls within the definition of "merger and/or consolidation" under the Statute shall also be subject to the requirements of the Statute in addition to the requirements of these Articles;
  - (f) any issuance of Restricted Shares for employees; and
  - (g) any proposal for the Company's Shares to stop being publicly traded.

For the avoidance of doubt, in case a Merger general assumption, share swap or spin-off is a

Delisting, Article 48 shall apply.

48. The Company shall pass a Supermajority Special Resolution if the Company effects a Delisting in accordance with the Applicable Listing Rules.
49. Any corporation which is a Member of record of the Company may in accordance with its Articles or in the absence of such provision by resolution of its Board or other governing body authorizes such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company, and the person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as the corporation could exercise if it were an individual Member of record of the Company.
- 49A. (a) For so long as the Shares are listed on the Designated Stock Market, where a Member is a clearing house, depository, custodian and/or trustee (or its/their nominee(s) and, in each case, being a corporation, "Third Party Holder"), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of Shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of these Articles shall be entitled to exercise the same rights and powers on behalf of the Third Party Holder as if such person was the registered holder of the Shares held by the Third Party Holder in respect of the number and class of Shares specified in the relevant authorisation.
- (b) To the extent permissible under the laws of the Cayman Islands and these Articles, the qualifications, scopes, methods, procedures, and other details for the Member to exercise the voting rights under the preceding paragraph (a) shall be in compliance with the Applicable Law.

## PROXIES

50. Any Member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote on behalf of him at a general meeting of the Company; provided that a Member, irrespective of how many Shares he holds, may only appoint one proxy to represent him and vote on his behalf. A proxy need not be a Member of the Company.
51. The instrument appointing a proxy shall be In Writing and shall be executed under the hand of the appointer or of his attorney duly authorised In Writing, or, if the appointer is a corporation under the hand of an officer or attorney duly authorised in that behalf. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy is given; provided that the Company has not been notified In Writing of such death, insanity or revocation as aforesaid at the address specified in the proxy form two (2) days before the date of the general meeting, or adjourned meeting, at which the proxy proposes to vote.
52. The instrument appointing a proxy shall be delivered to the place as is specified in the notice for that purpose not less than five (5) days before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default, save with respect to the deemed appointment of the chairman as proxy under Article 55, the instrument of proxy shall not be treated as valid PROVIDED that the chairman of the meeting may in his discretion accept an instrument of proxy sent by telex or telefax upon receipt of telex or telefax confirmation that the signed original thereof has been sent.
53. Where multiple instruments of proxy are received by the Company from the same Member, the first Written duly executed and valid instrument of proxy received by the Company shall prevail, unless an explicit Written statement revoking the previous instrument(s) appointing a proxy is

made in the subsequent duly executed and valid instrument of proxy received by the Company. The Board shall have the final discretion to determine which instrument of proxy shall be accepted where there is any dispute. After the service of a proxy to the Company, in case the Member issuing the said proxy intends to attend the general meeting of the Members in person or exercise his voting power and cast his votes In Writing or by way of electronic transmission, a proxy rescission notice shall be filed with the Company at the address specified in the proxy form at least two (2) days prior to the date of the general meeting of the Members as scheduled in the notice of the general meeting of the Members so as to rescind the proxy at issue, otherwise the voting power exercised by the authorized proxy at the meeting shall prevail.

54. Unless otherwise provided in these Articles, the instrument of proxy shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates
55. To the extent permitted by Applicable Law and notwithstanding any provisions provided in these Articles, the Board shall allow Members not attending and voting at a general meeting in person, by proxy or by corporate representatives (where a Member is a corporation), to exercise their voting power and cast their votes by a Written instrument approved by the Board or by way of electronic transmission (as provided under the ROC Electronic Signatures Act) two (2) days prior to commencement of the general meeting. If the voting power may be exercised In Writing or by way of electronic transmission, the method for exercising the voting power shall be described in the notice of the general meeting to be given to the Members. Those Members who have voted In Writing or by way of electronic transmission mentioned in the foregoing shall, for purposes of these Articles and the Statute, be deemed to have appointed the chairman of the general meeting as their proxy to vote their Shares at the general meeting in the manner directed by the Written instrument or electronic document. The chairman as proxy shall not have the power to exercise the voting rights of such Members with respect to any matters not referred to or indicated in the Written or electronic document and/or any amendment to resolution(s) proposed at the general meeting, and the Members shall be deemed to have waived their voting rights with respect to any extemporary matters or amendment to resolution(s) proposed at the general meeting. A Member shall submit his or her vote by way of Written ballot or electronic transmission to the Company at least two (2) days prior to the scheduled meeting date of the general meeting; whereas if two (2) or more such Written ballot or electronic transmission are submitted to the Company, the first Written ballot or transmission shall prevail unless it is expressly included in the subsequent vote by Written ballot or electronic transmission that the original vote submitted by Written ballot or electronic transmission be revoked.
56. Where a Member has exercised the voting power and has cast its votes by Written instrument or by way of electronics transmission intends to attend the meeting physically in person, such Member shall send a separate Written declaration of intention to rescind and revoke the votes casted by way of Written instrument or electronic transmission to the Company, whichever was previously exercised by the Member, two (2) days prior to the date of the general meeting failing which, the Member shall be deemed to have waived his right to attend and vote at the relevant general meeting in person, the deemed appointment by the Member of the chairman as proxy shall remain valid and the Company shall not count any votes cast by such Member physically at the relevant general meeting.
57. A Member who is deemed to have appointed the chairman as proxy pursuant to Article 55 for purposes of casting his vote by Written instrument approved by the Board or by way of electronic transmission shall have the right to appoint another person as its proxy to attend the meeting, in which case the express appointment of another proxy shall be deemed to have revoked the deemed appointment of the chairman as proxy under Article 55 and the Company shall only count the vote(s) casted by such expressly appointed proxy at the meeting.
58. Except for an ROC trust enterprise or stock agency approved by the ROC competent authority,

save with respect to the chairman being deemed appointed as proxy under Article 55, when a person acts as the proxy for two or more Members, the total number of voting Shares that the proxy may vote shall not exceed three percent (3%) of the total number of voting Shares of the Company; otherwise, such number of voting Shares in excess of the aforesaid threshold shall not be counted towards the number of votes cast for or against the relevant resolution or the number of voting Shares entitled to vote on such resolution but such Shares shall be included in the quorum. Upon such exclusion, the number of voting Shares being excluded and attributed to each Member represented by the same proxy shall be determined on a pro-rata basis based on the total number of voting Shares being excluded and for which the number of voting Shares that such Members have appointed the proxy to vote.

59. So long as the Shares are listed on Designated Stock Market, to the extent permissible under Applicable Law and subject to compliance with these Articles and the Statute, all matters concerning proxies and/or the solicitation of proxies by a Solicitor relating to the Shares of the Company shall comply with "ROC Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" and all other Applicable Laws and regulations, whether or not expressly provided for in these Articles.

#### **ANNULMENT OF RESOLUTIONS**

60. To the extent permitted by Applicable Law, where the procedures for convening a general meeting or the proceedings of the general meeting contravene any applicable laws, regulations, ordinances, Applicable Law or these Articles, any Member may submit a petition within thirty (30) days from the date of such general meeting to a competent court having proper jurisdiction, including, the ROC Taipei District Court, if applicable, for annulment of such resolution.

#### **APPRAISAL RIGHT OF DISSENTING MEMBERS**

- 61.
- (a) Subject to the Statute, in the event any of the resolutions with respect to the paragraph (a), (b), or (c) of Article 47 is passed at a general meeting, any Member who has notified the Company In Writing of his objection to such proposal prior to such general meeting and subsequently raised his objection at the meeting may request the Company to purchase all of his Shares at the then prevailing fair value price within twenty (20) days after the date of the resolution.
  - (b) Subject to the Statute, in the event any resolution with respect to paragraph (e) of Article 47 to effect a Merger, split-off or share swap (as defined in the Applicable Listing Rules) of the Company or Acquisition is passed at a general meeting, the Member, who has forfeited his right to vote on such matter and expressed his dissent therefor, in writing or verbally (with a written record) before or during the general meeting, may request the Company in writing, specifying the price of the Shares to be repurchased, to purchase all of his Shares at the then prevailing fair value price within twenty (20) days after the date of the resolution.
62. Subject to the above, the Member shall give Written notice to request the Company to acquire or purchase his Shares no later than twenty (20) days after the passing of a conditional or unconditional resolution approving any of the above matter(s) at the relevant general meeting, and shall state in such request the class and number of Shares that such Member requests the Company to repurchase.
63. If agreement on the price of the Shares can be reached between the Member and the Company, the Company shall, subject to compliance with these Articles and the Statute, repurchase and pay for the Shares within ninety (90) days from the date on which the resolution was passed. In case no agreement as to the purchase price is reached, the Company shall pay the fair price as determined

by the Company to such Member within ninety (90) days from the date on which the resolution was adopted. If the Company fails to pay the agreed purchase price, the Company shall be deemed to agree to the price as requested by the Member. For the Member who requests the Company to purchase all of his Shares in accordance with Article 61(b), in the event the Company fails to reach such agreement with the Member within sixty (60) days after the date on which the resolution was adopted, the Company shall apply to the court for a ruling on the fair price against all the dissenting Members as the opposing party within thirty (30) days after such sixty-day period, and Taiwan Taipei District Court has the jurisdiction.

64. The payment of repurchase price to the Members shall be made at the same time against the delivery of the relevant Share certificate(s) and an instrument(s) of transfer (where the Shares are in certificated form) in respect of the Shares subject to such instrument(s) of transfer (where the Shares are in certificated form) for the repurchase being duly executed by such Member to the Company, and the date of transfer of such Shares shall be the date on which payment is made by the Company to the Member and the Register of Members of the Company shall be updated accordingly.
65. The request of a Member pursuant to Article 62 above shall become ineffective if the Company announces before completion of the purchase under Article 63 that the Company will not proceed with the matters that such Member dissented to under Article 61 or where the Company is prohibited under Applicable Law to repurchase the relevant Shares. Where a Member fails to make a request within the period prescribed in Articles 62 and 63 above, such Member is deemed to have duly waived his rights under Article 61.

## **DIRECTORS**

66. The Board shall consist of five (5) to eleven (11) Directors. At least three (3) of the Directors shall be Independent Directors pursuant to Article 70, and the Independent Directors shall account for at least one-fifth (1/5) of the total number of Directors. The term of office for a Director shall not exceed three (3) years and the Director whose term has expired may be eligible for re-election. Where any Member is a corporate entity, its representative may be elected as Director.  
In case no election of new Directors is effected after expiration of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new Directors have been elected and assumed their office. However, the competent authority in Taiwan may, ex officio, order the Company to elect new Directors within a given time limit; and if no re-election is effected after expiry of the given time limit, the out-going Directors shall be discharged ipso facto from such expiration date.
67. The Board shall be elected or appointed by Members upon a poll vote by way of cumulative voting (the manner of voting described in this Article to be referred to as "Cumulative Voting") in the following manner:
  - (i) the number of votes attached to each voting Share held by a Member shall be cumulative and be the same as the number of the Directors nominated for appointment at the general meeting;
  - (ii) the Member(s) may vote all or part of their cumulated votes in respect of one or more Independent Directors or non-independent Directors;
  - (iii) such number of Directors receiving the highest number of votes in the same category of Directors to be elected shall be appointed; and
  - (iv) where two or more Directors nominated for appointment receive the same number of votes which exceeds the number of new Directors intended to be appointed, there shall be a draw by such Directors receiving the same number of votes to determine who shall be appointed; the chairman shall draw for a Director nominated for appointment who is not present at the general meeting.

68. [Deleted]
69. When the number of Directors falls short by one-third (1/3) of the number prescribed by these Articles, an extraordinary general meeting shall be convened within sixty (60) days of the occurrence of the fact to hold a by-election of Directors.
70. The Company shall have not less than three (3) Independent Directors and at least one Independent Director shall be domiciled in the ROC.
71. Upon the Shares of the Company have been approved by the Designated Stock Market for listed and trading on the Designated Stock Market, with regard to the election of the Directors (including Independent Directors), the Company shall adopt the candidate nomination system as provided by Article 192-1 of the ROC Company Law and the ROC Securities Regulation. For the avoidance of doubt, (i) the Directors (excluding the Independent Directors) or supervisors (if any) shall only be elected and approved by the Members from the list of candidates for Directors (excluding the Independent Directors) and supervisors (if any); and (ii) the Independent Directors shall only be elected and approved by the Members from the list of candidates for Independent Directors.
72. [Deleted]
- 73.
- (a) A shareholding qualification for Directors may be fixed by the Company in general meeting but unless and until so fixed no shareholding qualification shall be required. Where any Director, who is also a Member, creates or has created a pledge on the Shares held by such Director (the "Pledged Shares") exceeding fifty percent (50%) of total Shares held by such Director at the time of his/her appointment as Director, such Director shall refrain from exercising its voting rights on the Shares representing the difference between the Pledged Shares and fifty percent (50%) of total Shares held by such Director at the time of his/her appointment as Director, and such Shares shall not be counted towards the number of votes represented by the Members present at a general meeting.
  - (b) For so long as the Shares are listed on the Designated Stock Market, subject to the Applicable Law, any Director (other than the Independent Director), who, during his or her term and in one or more transactions, transfers more than fifty percent (50%) of the total Shares held by such Director at the time of his or her appointment or election as Director being approved at a general meeting (the "Approval Time"), shall be discharged or vacated from the office of Director .
  - (c) For so long as the Shares are listed on the Designated Stock Market, subject to the Applicable Law, if any person transfers, in one or more transactions, more than fifty percent (50%) of the Shares held by him or her at the Approval Time either (i) during the period from the Approval Time to the commencement date of his or her office as Director , or (ii) during the period when the Register of Member is closed for transfer of Shares prior to the general meeting at which the appointment or election of such person as a Director (other than as an Independent Director) will be proposed, his or her appointment or election as Director shall be null and void.
74. A Director of the Company may be or become a Director or other officer of or otherwise interested in any company promoted by the Company or in which the Company may be interested as shareholder or otherwise and no such Director shall be accountable to the Company for any remuneration or other benefits received by him as a Director or officer of, or from his interest in, such other company.
75. No person shall be disqualified from the office of Director or prevented by such office from contracting with the Company, either as vendor, purchaser or otherwise; provided, however, to the extent required by Applicable Laws, a Director may not vote in respect to any matter, including any contract or proposed contract or arrangement or contemplated transaction of the Company,

whether on behalf of himself or as a proxy for another Director, in which such Director bears a personal interest which may conflict with and impair the interest of the Company, but the Director may express his or her opinion and respond to inquiries. After the interested Director has responded to inquiries raised and/or expressed his or her opinions or views and as soon as the Board of Directors proceed to discuss their views and vote on the relevant matter, the interested Director shall excuse him or herself from such discussion and voting, but the Director shall be counted in the quorum for purposes of convening such meeting. Paragraph 3, Article 206 of the ROC Company Act, under which the provisions under Paragraph 2, Article 180 of the same law may apply mutatis mutandis shall apply to Directors who may not exercise their voting rights in the process of resolving a proposal at the Company's board meeting to the maximum extent that does not contravene the laws of the Cayman Islands. A Director who is directly or indirectly interested in a contract or proposed contract or arrangement with the Company shall declare the nature of such interest as required by law to the Board and the Audit Committee. If any Director has personal interest (whether directly or indirectly) in matters on agenda for the Board meeting, such Director shall disclose and explain the material information or contents on such personal interest at the same Board meeting; before the Company adopts any resolution of Merger, Acquisition, spin-off or share swap, a Director who has a personal interest in the transaction of Merger, Acquisition, spin-off or share swap shall declare such interest to the Directors at the Directors' meeting and to the Members at the general meeting the essential contents of such personal interest and the reasons that the relevant resolution shall be approved or dissented. In the case that a Director's spouse, a blood relative within second degree of kinship or a company which has parent-subsiary relationship with the Director has personal interest in a matter on agenda for the Board meeting, such Director shall be deemed to have personal interest in that matter.

76. (a) Without prejudice and subject to the general Directors' duties that a Director owes to the Company and/or the Members under common law principles and the laws of the Cayman Islands, a Director shall perform his/her fiduciary duties of loyalty and care, and shall indemnify the Company, to the maximum extent legally permissible, from any loss incurred or suffered by the Company arising from a breach of his/her fiduciary duties. If a Director has made any earnings for the benefit of himself/herself or any third party as a result of a breach of his/her fiduciary duties, the Company shall, if so resolved by the Members by way of an Ordinary Resolution, take all such actions and steps as may be appropriate and to the maximum extent legally permissible to seek to recover such earnings from such relevant Director.
- (b) If a Director has, in the course of conducting the Company's business, violated any applicable laws or regulations which causes the Company to become liable for any compensation or damages to any third party, such Director shall become jointly and severally liable for such compensation or damages with the Company and to the extent that for any reason, such Director is not made jointly and severally liable with the Company, such Director shall indemnify the Company for any loss incurred or suffered by the Company for any compensation and/or damages that the Company became liable.
- (c) Subject to Cayman Islands law, the officers of the Company may be held jointly and severally liable with the Directors to the extent such loss or damage come within the scope of their respective duties.
77. The remuneration of the Directors shall be determined by the Board, taking into consideration market standards of the companies in the same sector as well as the standards of other companies listed on the Designated Stock Market. The Directors shall also be entitled to be paid all travel, hotel and other expenses properly incurred by them in attending and returning from the meetings of the Board, or any committee appointed by the Board, or general meetings of the Company, or otherwise in connection with the business of the Company, or to receive a fixed allowance in respect thereof as may be determined by the Board from time to time, or a combination partly of one such method and partly the other. A Director may hold any other office or place of profit under the Company in conjunction with his office of Director for such period and on such terms as to remuneration and otherwise as the Board may determine.

78. The Members may by an Ordinary Resolution at a general meeting award special remuneration to any Director undertaking any special work or services for, or undertaking any special mission on behalf of, the Company other than his ordinary routine work as a Director.

79. [Deleted]

#### **POWERS AND DUTIES OF DIRECTORS**

80. The business of the Company shall be managed by the Board who may exercise all such powers of the Company as are not, from time to time by the Statute, or by these Articles, or such regulations, being not inconsistent with the aforesaid, as may be prescribed by the Company in general meeting required to be exercised by the Company in general meeting PROVIDED HOWEVER that no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

81. The Board may from time to time and at any time by powers of attorney appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purpose and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorneys as the Board may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.

82. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for monies paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be in such manner as the Board shall from time to time by resolution determine.

83. The Board shall cause minutes to be made in books provided for the purpose:

- (a) of all appointments of officers made by the Board;
- (b) of the names of the Directors (including those represented thereat by proxy) present at each meeting of the Board and of any committee of the Board;
- (c) of all resolutions and proceedings at all meetings of the Company and of the Board and of committees of Board.

84. [Deleted]

85. Subject to these Articles and the Applicable Law, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking and property or any part thereof and to issue Debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

86. [Deleted]

87. In addition to the above, the Board shall keep copies of these Articles, the minutes of prior general meetings, financial statements, Register of Members as well as summary of the bonds and notes issued by the Company and the reports prepared by the Audit Committee at the Company's agent for stock affairs located within the ROC for inspection or duplication by the Members from time to time by showing evidence of such Members' interest involved in the Company and specifying the scope of inspection. The Company shall cause its Shareholders' Service Agent to provide the aforesaid documents.

88. A Director engaging in any activity, or entering into any contract or transaction, which may be in competition with the business of the Company or which falls within the business scope of the Company, shall disclose in a general meeting the nature, extent and major terms of such activity,

contract or transaction, and shall proceed with such activity, contract or transaction only upon approval of the Members at a general meeting by a Supermajority Resolution.

## **MANAGEMENT**

89. (a) The Board may from time to time provide for the management of the affairs of the Company in such manner as they shall think fit and the provisions contained in the three next following paragraphs shall be without prejudice to the general powers conferred by this paragraph.
- (b) The Board from time to time and at any time may establish any committees or agencies for managing any of the affairs of the Company and may appoint any persons to be members of such committees or any managers or agents and may fix their remuneration and may fix their remuneration provided that the provisions of Articles 77 and 78 shall apply mutatis mutandis with respect to the remuneration of any member of such committees who is a Director.
- (c) The Board from time to time and at any time may delegate to any such committee, manager or agent any of the powers, authorities and discretions for the time being vested in the Board and may authorise the members for the time being of any such committee, manager or agent, or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.
- (d) Any such delegates as aforesaid may be authorised by the Board to subdelegate all or any of the powers, authorities, and discretions for the time beings vested in them.
- (e) A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present except as otherwise required by these Articles.
- (f) [Deleted]
- (g) Members of any committee appointed by the Board may participate in a meeting of such committee by means of video conference and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.

## **MANAGING DIRECTORS**

90. The Board may, from time to time, appoint one or more of their body to the office of Managing Director for such term as they may think fit but his appointment shall be subject to determination ipso facto if he ceases from any cause to be a Director. The provisions of Articles 77 and 78 shall apply mutatis mutandis with respect to the remuneration of the Managing Director.
91. The Directors may entrust to and confer upon a Managing Director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.

## **PROCEEDINGS OF THE BOARD OF DIRECTORS**

92. (a) Except as otherwise provided by these Articles, the Directors shall meet together for the dispatch of business, convening, adjourning and otherwise regulating their meetings as they think fit.
- (b) The quorum necessary for the transaction of the business of the Directors at a meeting of the Board shall be a majority of the number of members of the Board. For the purpose of this Article, a proxy appointed by a Director shall be counted in a quorum at a meeting at which the Director appointing him is not present.

93. (a) The Company's board meetings shall be convened at least once every quarter. Meetings of the Board of Directors shall be convened by the Chairman of the Board of Directors; provided, however, that the first meeting of the Board of Directors following an election of Directors shall be convened by the Director who received a ballot representing the highest number of votes at the election of Directors and shall act as chairperson of the meeting. In case there are two Directors having the power to convene such meeting, such Directors shall agree among themselves who shall act as the chairperson of the meeting.
- (b) In case the Chairman of the Board is unable to exercise his or her duties during his or her absence or for cause, the vice Chairman shall act as in his stead. In the absence of a vice Chairman or if the vice Chairman is unable to exercise his or her duties during his or her absence or for cause, the Chairman shall appoint a managing Director to act in his stead. In the absence of such appointment, the chairperson of the meeting shall be elected from among the managing Directors or Directors by themselves.
94. The Chairman shall, at any time summon a meeting of the Board by giving at least seven (7) days notice In Writing to every Director setting forth the general nature of the business to be considered, and such notice may be sent in electronic form upon the Director's consent. Notwithstanding the aforesaid, in the event of a matter considered to be urgent by the Chairman of the Board of Directors, a meeting of the Board may be convened on short notice if the quorum required under Article 92(b) is present.
95. A Director may appoint another Director to act as his proxy to attend and vote on his behalf at meetings of the Directors or any committee of the Board. When a Director appoints another Director as proxy to attend a board meeting, he or she shall, in each time, issue a Written proxy. The proxy form shall state therein the scope of authority of such proxy with reference to the subject matters to be discussed as listed in the board meeting notice. Such appointment must be made In Writing for each meeting under the hand of the appointer, and may at any time be revoked in like manner, and may be general (i.e. a blanket authority for the particular meeting) or for specified resolutions, and may authorise and direct the appointee to be chairman if the appointer would, if present, be entitled to preside. The form of appointment of proxy may contain directions to the proxy to vote in accordance with instructions given by that Director or, in the absence of such instructions, the proxy may act in his discretion. Notice of every such appointment or revocation must be presented to the meeting of Directors at which the proxy is to be used or first used prior to the commencement of such meeting. A proxy may be given by telex, telefax or in electronic mail. A proxy shall ipso facto cease to be a proxy for a Director if his appointer ceases for any reason to be a Director; however, such proxy or any other Director may be re-appointed by the Directors to serve as a proxy. A Director may act as a proxy for only one other Director.
96. Directors may participate in any meeting of the Board by video conference and participation in such a meeting shall constitute presence in person at such meeting.
97. A meeting shall be called to order by the chairperson of the board meeting when the scheduled meeting time has arrived and the quorum is present. If the quorum is not present at the schedule commencement time of the meeting, the chairperson of the meeting may announce to postpone the meeting with the postponement not more than twice. If a quorum is not constituted after the second postponement, the chairperson shall convene a new meeting.
98. All acts done by any meeting of the Board or of a committee of the Board (including any person acting as a proxy) shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Director or proxy Director, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and qualified to be a Director or proxy Director as the case may be.
99. The following matters shall be brought to the Company's board meeting for discussion and if

thought fit, approval. Except in an unexpected emergency or for good reason, the matters described below shall be set out in the notice of meeting, and may not be raised by an extempore motion.

- (k) The Company's business plan;
- (l) Annual financial report and semi-annual financial report;
- (m) Internal control system established or amended in accordance with the provisions under Article 14-1 of the ROC SEA;
- (n) 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 provisions under Article 36-1 of the ROC SEA;
- (o) Offering, issue or private placement of securities of the nature of equity;
- (p) Appointment and/or dismissal of a financial, accounting or internal audit officers;
- (q) Any matter bearing on the personal interest of a Director;
- (r) The engagement of a Certified Public Accountant; and
- (s) Matters to be resolved at general meeting or by the board meeting under Article 14-3 of the ROC SEA, other laws and regulations or the Articles of Association, or other important matters required by the competent authority.

For matters to be resolved by the board meeting under Article 14-3 of the ROC SEA, independent Directors shall attend a meeting in person or appoint another independent Director to attend the meeting on his or her behalf and may not appoint a proxy who is not an independent Director as his or her proxy. 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 provide a Written statement providing his view and opinions on the relevant matters for consideration at the board meeting and his statement shall be included in the minutes of the board meeting, unless his/her absence is for good cause.

100. The Company's board meeting shall be conducted in accordance with the procedure of the meeting as scheduled and may be subject to change upon consent of a majority of the Directors present at the meeting.

The chairperson of the meeting may not declare adjournment without the consent of a majority of the Directors present at the meeting.

During the board meeting, if the Directors present in the meeting are fewer than the required quorum, upon motion filed by the Director present in the meeting, the chairperson shall declare suspension of the meeting and the provisions under Article 97 may apply *mutatis mutandis*.

101. When the Directors are deliberating in respect of a resolution to be adopted in a meeting of the Board, the resolution shall be deemed approved and voted on by the Board if all Directors present at the meeting consented to the passing of such resolution without raising any objection when the chairperson put forward the relevant resolutions for approval. If, upon the chairperson propose the relevant resolution for approval, a Director states his dissent, the resolution shall be voted on in the manner set out below. The said "all Directors present at the meeting" do not include Directors who may not exercise their voting rights in accordance with the Article 75.

Formal votes shall be cast for the proposal in the agenda of the Company's board meeting.

Formal votes may be cast in one of the following manners as determined by the chairperson; provided, however, that when a person present at the meeting files an objection, the decision shall be made according to majority votes:

- (a) Vote by show of hands or by voting system;
- (b) Roll-call vote;
- (c) Vote by ballots; or
- (d) Any other voting method as determined by the Board.

102. Unless a higher approval threshold is required under the ROC SEA and the ROC Company Act, a proposal to be resolved at the Company's board meeting shall be approved by consent of a majority of the Directors present at the meeting attended by a majority of all Directors.

In case of an amendment or substitute to a proposal and to the extent that is permissible under applicable laws, the chairperson shall decide on the order of vote by combining the amendment or substitute with the same proposal. However, if one of the proposals has been approved, the others shall be deemed overruled and no further vote is required.

Results of the votes shall be announced on the spot and recorded.

103. Minutes of a meeting of the Board meeting shall be signed or sealed by the chairperson and secretary of the meeting and copies thereof shall be distributed to all Directors within twenty (20) days of the meeting. The minutes shall be deemed as important files of the Company and be properly kept during existence of the Company. Preparation and distribution of the Board meeting minutes may be done electronically.
104. To the maximum extent permitted under the laws of the Cayman Islands and the Statute, the Members may, by Ordinary Resolution, adopt or amend any rules and procedures, including the Procedural Rules for the Board of Directors governing the meeting of the Board; In the event of any inconsistency between the main content of these Articles and the Procedural Rules for the Board of Directors, the Articles shall prevail to the extent required by any Applicable Laws.

#### **VACATION OF OFFICE OF DIRECTOR**

105. The office of a Director shall be vacated:
  - (1) is removed from office pursuant to these Articles (including ceasing to be a Director automatically for being in breach of Article 107);
  - (2) dies or becomes bankrupt, or makes any arrangement or composition with his creditors generally;
  - (3) is or becomes of unsound mind or an order for his detention is made under applicable laws of the Cayman Islands relating to mental health or any analogous law of a jurisdiction outside the Cayman Islands, or dies;
  - (4) resigns his office by notice In Writing to the Company; or
  - (5) is the subject of a court order for his removal in accordance with Article 108.

#### **REMOVAL OF DIRECTORS**

106. Notwithstanding any provision in these Articles to the contrary or any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement), a Director may be removed by way of a Supermajority Resolution of the Members at any time before the expiration of his period of office; if all Directors are re-elected at a general meeting held prior to the expiration of the term of the current Directors (the "Re-Election"), unless it is otherwise resolved at such general meeting, in which case the term of the existing Directors shall be deemed to have expired immediately prior to Re-Election. The aforesaid re-election of all Directors shall be held in the general meeting attended by Members representing more than fifty percent (50%) of total issued Shares in accordance with Articles 66 and 67.
107. Any person who falls within any of the following categories shall not be appointed a Director of the Company. If for any reason he becomes a Director, he shall cease to be a Director of the Company forthwith upon the Company having actual notice that a breach of this Article 107 has been made, without any further action required on the part of the Company or such Director in question:
  - (1) any person having committed an offense as specified in the ROC Statute of Prevention of Organization Crimes and subsequently adjudicated guilty by a final judgment, and has not served the term of the sentence yet, has not served the full term of the sentence, or the time elapsed after he has served the full term of the sentence, his term of probation has expired or he has been pardoned has not exceeded five (5) years; or
  - (2) any person having committed an offense involving fraud, breach of trust or misappropriation and subsequently punished with imprisonment for a term of more than one (1) year, and has not served the term of the sentence yet, has not served the full term of the sentence, or the

- time elapsed after he has served the full term of such sentence, his term of probation has expired or he has been pardoned has not exceeded two (2) years; or
- (3) any person having been adjudicated guilty by a final judgment for violating anti-corruption law, and has not served the term of the sentence yet, has not served the full term of the sentence, or the time elapsed after he has served the full term of such sentence, his term of probation has expired or he has been pardoned has not exceeded two (2) years; or
  - (4) any person having been adjudicated bankrupt or entered into liquidation process by a court order, and has not been reinstated to his rights and privileges or liquidation; or
  - (5) any person having been dishonoured for unlawful use of credit instruments, and the term of such sanction has not yet expired;
  - (6) any person having no or only limited capacity; or(7) any person becomes subject to the order of commencement of assistance due to incapacity pursuant to relevant law and the order has not been revoked.
108. In case a Director has, in the course of performing his duties, committed any act resulting in material damage to the Company or in material violation of applicable laws and/or regulations and/or these Articles, but not removed by the Members in the general meeting, Member(s) holding not less than three percent (3%) of the total number of outstanding Shares of the Company may, within thirty (30) days after such meeting, institute a lawsuit in the court for a judgment to remove such Director. Such lawsuit may be submitted to a competent court having jurisdiction, including the Taipei District Court as the court of first instance.

#### **SEAL**

109. (a) The Company may, if the Board so determines, have a Seal which shall, subject to paragraph (c) hereof, only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf and every instrument to which the Seal has been affixed shall be signed by one person who shall be either a Director or the Secretary or some person appointed by the Board for the purpose.
- (b) The company may have for use in any place or places outside the Cayman Islands a duplicate Seal or Seals each of which shall be a facsimile of the Common Seal of the Company and, if the Board so determines, with the addition on its face of the name of every place where it is to be used.
- (c) Subject to the requirements of these Articles and Applicable Law, a Director, Secretary or other officer or representative or attorney may affix the Seal of the Company over his signature alone to any document of the Company required to be authenticated by him under Seal or to be filed with the Registrar of Companies in the Cayman Islands or elsewhere wheresoever.

#### **OFFICERS**

110. The Company may have an officer appointed by the Board who may also from time to time appoint such other officers as they consider necessary, all for such terms, at such remuneration and to perform such duties, and subject to such provisions as to disqualification and removal as the Board from time to time prescribes. An officer shall exercise his/her duties in accordance with any resolution adopted by the general meeting of the Members or the Board.

#### **DIVIDENDS, DISTRIBUTIONS, RESERVE AND POWER TO SET ASIDE PROFIT**

111. Subject to Article 46 and this Article, the Company may from time to time by Ordinary Resolution or in the case of Article 47, Item (4), by Supermajority Resolution, declare Dividends. The Board shall set aside out of the profits of the Company for each financial year: (i) a settlement for payment of tax for the relevant financial year; and (ii) an amount to offset losses

incurred in previous year(s); and after the aforesaid sums as set aside from the profits for such relevant financial year, the Board may, before recommending any Dividend, set aside certain percentage (as may be deemed fit by the Board) of the remaining profits of the Company for the relevant financial year as a reserve or reserve(s). Subject to the aforesaid, the Board may distribute any remaining profits for the relevant financial year based on the financial statements audited or reviewed by certified public accountant according to the following manner upon approval by the Members:

- (1) [Deleted]
- (2) [Deleted]
- (3) Because the Company is still at the growth stage, the Dividends distribution will take into account the future and current economic overview, the Company's then working capital requirement and financial structure, and the remaining profits for the relevant financial year and previous financial years to the Members as Dividends. No less than ten percent (10%) of the remaining profits after the reserves for the relevant financial year shall be declared and may be paid in the form of cash and/or bonus Shares, and cash Dividends shall be no less than ten percent (10%) of the total amount of cash Dividends and stock Dividends which may be subject to adjustment by taking into consideration the Company's cash flow, revenue and future operation needs.

112. (a) Unless otherwise provided in the Applicable Law, where the Company makes profits before tax for the annual financial year, the Company shall allocate (1) no less than one percent (1%) of such annual profits before tax for the purpose of employees' remunerations (including employees of the Company and/or any Subsidiaries of the Company satisfying such conditions to be prescribed by the Board) (the "Employees' Remunerations"); and (2) up to two percent (2%) of such annual profits before tax for the purpose of Directors' remunerations (the "Directors' Remunerations"). Notwithstanding the foregoing paragraph, if the Company has accumulated losses of the previous years for the annual financial year, the Company shall set aside the amount of such accumulated losses prior to the allocation of Employees' Remunerations and Directors' Remunerations.  
(b) Subject to Cayman Islands law and notwithstanding Article 116, the Employees' Remunerations and the Directors' Remunerations may be distributed in the form of cash and/or bonus shares and shall require the approval of a majority of the votes at a meeting of the Board of Directors attended by two-thirds (2/3) or more of the Directors. The resolutions of Board of Directors regarding the distribution of the Employees' Remunerations and the Directors' Remunerations in the preceding paragraph shall be reported to the Members at the general meeting after such Board resolutions are passed.
113. Dividends may be declared and paid out of profits of the Company, realised or unrealised, or from any reserve set aside from profits which the Board determines is no longer needed, or not in the same amount. Subject to the requirement of these Articles, Dividends may also be declared and paid out of Share Premium Account or any other fund or account which can be authorised for this purpose in accordance with the Statute.
114. Subject to the requirement of these Articles, the Board may declare and make such other distributions (in cash or in specie) to the Members as may be lawfully made out of the assets of the Company.
115. (a) No unpaid Dividend or distribution shall bear interest against the Company.  
(b) The Board shall establish an account to be called the Share Premium Account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of any Share in the Company. Unless otherwise provided by the provisions of these Articles, the Board may apply the Share Premium Account in any manner permitted by the Statute. The Company shall at all times comply with the provisions of the Statute in relation to the Share Premium Account.

## **CAPITALISATION**

116. (a) The Company may, with the approval by way of Supermajority Resolution of the Members, capitalise any sum for the time being standing to the credit of any of the Company's Share premium or other reserve accounts (including Capital Reserves) or to the credit of the profit and loss account or otherwise available for distribution by applying such sum in paying up unissued Shares to be allotted as fully paid bonus Shares pro rata to the Members.
- (b) The Company may, with the approval by way of Supermajority Resolution of the Members, resolve to capitalise any sum for the time being standing to the credit of a reserve account or sums otherwise available for Dividend or distribution by applying such amounts in paying up in full, partly paid, or nil paid Shares of those Members who would have been entitled to such sums if they were distributed by way of Dividend or distribution.
- 116A. For the avoidance of doubt, the allotment of bonus shares in connection with the Employees' Remunerations and Directors' Remunerations pursuant to Article 112 shall not require the approval of Members.

## **BOOKS OF ACCOUNT**

117. The Board shall cause proper books of account to be kept with respect to:
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt or expenditure takes place;
  - (b) all sales and purchases of goods by the Company;
  - (c) the assets and liabilities of the Company.
- Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.
118. At the close of each fiscal year, the Board shall prepare the business report, financial statements and the surplus earning distribution or loss offsetting proposals for adoption by the annual general meeting and shall submit such report, statements and proposals for verification by the Audit Committee prior to the date of the annual general meeting. The Board shall, upon adoption by the annual general meeting, distribute to each Member copies of adopted financial statements and the resolutions on the surplus earning distribution and/or loss offsetting in accordance with these Articles and Applicable Laws, and for as long as the Company's Shares are listed on the Designated Stock Market, such distribution may be effected by means of a public notice in accordance with Article 31 (a).
- 118A. Notwithstanding Article 118 and any provision in these Articles to the contrary, the Company may at any time and from time to time by Ordinary Resolution set off accumulated losses of the Company.
119. A printed copy of each of the Directors' statement(s) and the Audit Committee's reports to be submitted for adoption by the general meeting shall be kept at the Company's agent for stock affairs located within the ROC for inspection by the Members from time to time at least ten (10) days before the date of the annual general meeting.

## **AUDIT COMMITTEE**

120. The Company shall set up an Audit Committee, and the professional qualifications of members, formation, appointment, discharge, how such committee functions and exercises its power and other relevant matters shall be subject to the Applicable Law. The Audit Committee shall comprise solely of all Independent Directors and the number of committee members shall not be less than three (3). One (1) of the Audit Committee members shall be appointed as the convener to convene meetings of the Audit Committee from time to time and at least one (1) of the Audit

Committee members shall have accounting or financial expertise. A valid resolution of the Audit Committee requires approval of one-half (1/2) or more of all its members.

121. Notwithstanding anything provided to the contrary contained in these Articles, the following matters require approval of one-half (1/2) or more of all members of the Audit Committee and final approval of the Board:
- (a) adoption of or amendment to an internal control system;
  - (b) assessment of the effectiveness of the internal control system;
  - (c) adoption of or amendment to the handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, provision or extension of monetary loans to others, or endorsements or guarantees for others;
  - (d) any matter relating to the personal interest of the Directors;
  - (e) the entering into of a transaction relating to material assets or derivatives;
  - (f) a material monetary loan, endorsement, or provision of guarantee; the offering, issuance, or private placement of the Shares or any equity-linked securities; the hiring or dismissal of an attesting certified public accountant as the auditor of the Company, or the compensation given thereto; the appointment or discharge of a financial, accounting, or internal auditing officers; approval of annual and semi-annual financial reports; and any other material matter deemed necessary by the Board or so required by Applicable Law or the competent authority.

Subject to the Applicable Law, with the exception of item (j) above, any other matter that has not been approved with the consent of one-half (1/2) or more of all Audit Committee members may be undertaken upon the consent of two-thirds (2/3) or more of all Directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board meeting.

Subject to the Applicable Law, where the Audit Committee is unable to convene a meeting for any proper cause, matters may be approved by consent of two-thirds (2/3) or more of all Directors, provided that the Independent Director members shall still be required to issue an opinion as to whether the resolution is approved in respect of a matter under item (j) above.

- 121A. Before the Company holds a meeting of the Directors to adopt any resolution of Merger, Acquisition, spin-off or share swap, the Audit Committee shall seek opinion from an independent expert in order to review the fairness and reasonableness of the plan and transaction of the Merger, Acquisition, spin-off or share swap, including but not limited to the justification of share swap ratio or a distribution by cash or otherwise, and the review result shall be submitted to the Directors and Members in the general meeting (provided, however, that if the Statute does not require the Members' approval on the said transactions, the expert opinion and review result do not have to be submitted to the general meeting); and the review result and the expert opinion shall be provided to the Members together with the notice of general meeting. If the Statute does not require the Members' approval on the said transactions, the Directors shall report the transactions in the general meeting following the transactions.

For the documents to be given to the Members in the preceding paragraph, if the Company announces the same content as in those documents on a website designated by the Taiwan competent authorities and those documents are prepared at the venue of the general meeting for Members' review, those documents shall be deemed as having been given to Members.

122. The Audit Committee shall audit the accounts of the Company at least once in every year.
123. The Audit Committee shall at all reasonable times have access to and may make copies of all books and to all accounts and vouchers documents kept by the Company; and the Audit Committee may call on the Directors or officers of the Company for any information in their possession relating to the books or affairs of the Company.
124. The statement of income and expenditure and the balance sheet provided for by these Articles shall be examined by the Audit Committee and compared with the books, accounts and vouchers relating thereto; and the Audit Committee shall make a written report thereon stating whether such

statement and balance sheet are drawn up so as to present fairly the financial position of the Company and the results of its operations for the period under review and, in case information shall have been called for from Directors or officers of the Company, whether the same has been furnished and has been satisfactory. The Audit Committee may appoint, on behalf of the Company, a practicing lawyer and a certified public accountant to conduct the examination. The financial statements of the Company shall be audited by an auditor appointed by the Board in accordance with generally accepted auditing standards. The auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the auditor shall be submitted to the Members in general meeting. The generally accepted auditing standards referred to herein may be those of a country or jurisdiction other than the Cayman Islands. If so, the financial statements and the report of the auditor should disclose this fact and name such country or jurisdiction.

125. (a) Subject to the Cayman Islands law, any Member(s) holding one percent (1%) or more of the total number of the issued Shares of the Company for six (6) consecutive months or longer may request in writing any Independent Director of the Audit Committee to file a litigation against any Director or Directors on behalf of the Company with a competent court having proper jurisdiction, including Taipei District Court of the Republic of China.
- (b) If the Independent Director of the Audit Committee who has been requested by such Member(s) in accordance with the previous paragraph fails or refuses to file such litigation within thirty (30) days after receiving the request by such Member(s), subject to Cayman Islands law, such Member(s) may file such litigation on behalf of the Company with a competent court having proper jurisdiction, including Taipei District Court of the ROC.

125A [Delete]

126. Subject to these Articles and the Applicable Law, the Company shall additionally comply with the Rules of Audit Committee.

#### **WINDING UP**

127. With regard to the winding up of the Company, the Company shall pass a Special Resolution in accordance with the Statute. If the Company shall be wound up the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Statute, divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may with like sanction, vest the whole or any part or such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no Member shall be compelled to accept any Shares or other securities whereon there is any liability.
128. If the Company shall be wound up, and the assets available for distribution amongst the Members as such shall be insufficient to repay the whole of the Paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the Shares held by them respectively. And if in a winding up the assets available for distribution amongst the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital paid up at the commencement of the winding up on the Shares held by them respectively. This Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.

## **INDEMNITY**

129. The Directors and officers for the time being of the Company and any trustee for the time being acting in relation to any of the affairs of the Company and their heirs, executors, administrators and personal representatives respectively shall be indemnified out of the assets of the Company from and against all actions, proceedings, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by reason of any act done or omitted in or about the execution of their duty in their respective offices or trusts, except such (if any) as they shall incur or sustain by or through their own willful neglect or default respectively and no such Director, officer or trustee shall be answerable for the acts, receipts, neglects or defaults of any other Director, officer or trustee or for joining in any receipt for the sake of conformity or for the solvency or honesty of any banker or other persons with whom any monies or effects belonging to the Company may be lodged or deposited for safe custody or for any insufficiency of any security upon which any monies of the Company may be invested or for any other loss or damage due to any such cause as aforesaid or which may happen in or about the execution of his office or trust unless the same shall happen through the willful neglect or default of such Director, Officer or trustee.

## **FINANCIAL YEAR**

130. Unless the Board otherwise prescribes, the financial year of the Company shall end on 31st December in each year and, following the year of incorporation, shall begin on 1<sup>st</sup> January in each year.

## **AMENDMENTS OF ARTICLES**

131. Subject to the Statute, the Company may at any time and from time to time by Special Resolution alter or amend these Articles in whole or in part.

## **TRANSFER BY WAY OF CONTINUATION**

132. If the Company is exempted as defined in the Statute, it shall, subject to the provisions of the Statute and with the approval of a Special Resolution, have the power to register by way of continuation as a body corporate under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.

## **THE LAWS OF THE ROC**

133. Notwithstanding any provision to the contrary herein, any Applicable Laws (other than the laws of the Cayman Islands) shall only apply to the maximum extent permissible under the laws of the Cayman Islands and the Statute. The qualification, formation, appointment, election, discharge, exercise of powers and other compliance matters of Directors, Independent Directors, Compensation Committee and Audit Committee shall comply with the ROC Securities Regulation.

## **LITIGIOUS AND NON-LITIGIOUS AGENT**

134. For so long as the Shares are registered in the Emerging Market of the ROC or listed on the Designated Stock Market, subject to the Applicable Law, the Company shall appoint a Litigious and Non-Litigious Agent in Taiwan. The Litigious and Non-Litigious Agent shall be the responsible person of the Company in Taiwan and shall have residence or domicile in Taiwan.

The Company shall report to the Commission in respect of the name, residence or domicile and authorization document of the Litigious and Non-Litigious Agent. In case of any change of the name, residence or domicile and authorization document of the Litigious and Non-Litigious Agent, the Company shall report to the Commission in respect of such change.

#### **CORPORATE SOCIAL RESPONSIBILITY**

135. For the purpose of performing corporate social responsibility, the Company shall follow the applicable laws, regulations and business ethics in operating its businesses and may conduct practices to facilitate public interests.

(Appendix 2)

**TaiGen Biopharmaceuticals Holdings Limited**  
**Rules of Procedures for Shareholders' Meetings**

Article 1 To the extent that permitted under the laws of the Cayman Islands and unless otherwise provided for in the ROC laws and regulations or the applicable laws and regulations in the country where the Company carries out its business, the Company's general meeting of the Members shall be held in accordance with these Rules.

Unless otherwise defined in these Rules, any capital terms as used in these Rules shall have the same meanings as defined in the Articles of Association of the Company (as amended or substituted from time to time; hereinafter "Articles").

- Article 2
1. Unless otherwise provided by the laws of the Cayman Islands and the Articles, the general meeting of the Members should be convened by the Board of Directors.
  2. The Company shall prepare the notice of meeting, the proxy form, and the information about the subject and description of proposals for recognition and for discussion, election and/or dismissal of Directors in the form of electronic file to be uploaded to the Market Observation Post System ("MOPS") thirty (30) days before an annual general meeting of Members or fifteen (15) days before an extraordinary general meeting of the Members.
  3. The meeting agenda for general meetings and supplemental meeting information shall be prepared in the form of electronic file to be uploaded to the MOPS twenty-one (21) days before an annual general meeting of Members or fifteen (15) days before an extraordinary general meeting of the Members. The meeting agenda and supplemental meeting information shall be ready for Members' review at all times by fifteen (15) days before the meeting of Members, and such information shall be available at the office of Company and the professional stock agent engaged by the Company and be distributed at the meeting.
  4. The cause(s) or subject(s) of a general meeting to be convened shall be indicated in the individual notice and the public notice to be given to Members; and the notice may, as an alternative, be given by means of electronic transmission, after obtaining the prior consent of the recipient(s) thereof.
  5. In accordance with the ROC Company Law and subject to compliance with Article 33 of the Articles of the Company and the applicable laws of the Cayman Islands, Member(s) who individually or collectively hold one percent (1%) or more of the total number of issued shares of the Company may propose in writing to the Company a proposal for discussion at an annual general meeting of the Members, provided that only one matter shall be allowed in each single proposal. If a proposal contains more than one matter, such proposal shall not be included in the

agenda. A shareholder proposal proposed for urging a company to promote public interests or fulfill its social responsibilities may still be included in the list of proposals to be discussed at a regular meeting of shareholders by the board of directors. Under any of the circumstances listed in Paragraph 3, Article 172-1 of the ROC Company Law, the board of directors of the Company may exclude the proposal submitted by a Member from the list of proposals to be discussed at a general meeting.

6. The number of words of a proposal to be submitted by a Member shall be limited to not more than three hundred (300) words, and any proposal containing more than 300 words shall not be included in the agenda of the annual general meeting of the Members. The Member who has submitted a proposal shall attend, in person or by proxy, the annual general meeting of the Members whereat his proposal is to be discussed and shall take part in the discussion of such proposal.
7. The Company shall, prior to preparing and delivering the general meeting notice, inform, by a notice, the entire the proposal submitting Members of the proposal screening results, and shall list in the general meeting notice the proposals conforming to the requirements set out in this Article. With regard to the proposals submitted by Members but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the Board of Directors at the general meeting to be convened.
8. Subject to Article 34 of the Articles and the applicable laws of the Cayman Islands, a Member may, if so approved by the chairman of the relevant general meeting and to the extent permitted under the laws of the Cayman Islands, bring forward any matter(s) during a general meeting for the consideration, discussion or approval by the Members at such general meeting, provided such matter(s) fall(s) within the scope and directly relates to a matter included in the notice of general meeting.

Article  
2-1

Subject to the Articles of Association of the Company, the following matters may not be considered, discussed or proposed for approval at a general meeting unless they have been included in the notice of general meeting with reasonable amount of explanation: material contents of such matters may be uploaded onto the website designated by the TWSE, TPEX or the Company with the address of website indicated in the notice:

1. any election or removal of Directors;
2. any amendment or modification to the Memorandum of Association or the Articles of Association of the Company, including any change of the Company name;
3. any reduction in share capital of the Company;
4. application for de-registration as a public company;
5. any dissolution, voluntary winding-up, Merger, split-up or share swap (as defined in the Applicable Listing Rules) of the Company;
6. any proposal for the Company to enter into, amend, or terminate any lease contract, management contract or joint operation contract;
7. transfer whole or any substantial part of the Company's business or assets;
8. acquisition of whole of the business or assets of a third-party, which

- materially affects the operation of the Company;
9. any issuance of equity-linked securities of the Company by way of private placement;
  10. to the extent permitted by applicable law, any proposal to approve a Director to engage in competitive activities with the Company;
  11. upon recommendation of the Board, any proposal to distribute part or all of its dividends or bonus by way of issuance of new shares;
  12. upon recommendation of the Board, any proposal to distribute the capital reserves arising from the profits, the income derived from the issuance of new shares at a premium and standing to the credit of the share premium account or the income from endowments received by the Company, in whole or in part by way of issuance of new shares of the Company or by cash, to the then Members in proportion to the number of shares being held by each of them;
  13. transfer of treasury shares to the employees of the Company and/or of the Company's subsidiary(ies) for a consideration that is less than the consideration paid by the Company in accordance with Article 13(g);
  14. any issuance of employee stock options pursuant to ROC Regulations Governing the Offering and Issuance of Securities by Foreign Securities Issuer referring to Article 56-1 of ROC Regulations Governing the Offering and Issuance of Securities by Securities Issuer; and
  15. any issuance of restricted shares pursuant to ROC Regulations Governing the Offering and Issuance of Securities by Foreign Securities Issuer referring to Article 60-2 of ROC Regulations Governing the Offering and Issuance of Securities by Securities Issuer; and
  16. the Delisting.

### Article 3

1. Any Member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote on behalf of him at a general meeting of the Company. The instrument appointing a proxy shall be in writing, which instrument of proxy shall be in a form determined by the Board shall include such proxy voting instruction.
2. A Member may only appoint one proxy to represent him and vote on his behalf. The instrument appointing a proxy shall be delivered to the place as is specified in the notice of the meeting not less than five (5) days before the time appointed for holding the meeting. Where multiple instruments of proxy are received by the Company from the same Member, the first written duly executed and valid instrument of proxy received by the Company shall prevail, unless an explicit written statement revoking the previous instrument(s) appointing a proxy is made in the subsequent duly executed and valid instrument of proxy received by the Company.
3. After a proxy form has been delivered to the Company, if the Member intends to attend the meeting in person or exercise his voting power and cast his votes in writing or by way of electronic transmission, a written notice of proxy cancellation shall be submitted to the Company at least two (2) days prior to the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall

prevail.

Article 4 The place for convening a general meeting of the Members of the Company shall be the premises of the Company, or any other place convenient for the presence of Members, and suitable for holding the said meeting. The time for commencing the said meeting shall not be earlier than 9 o'clock in the morning or later than 3 o'clock in the afternoon and the opinions of the Independent Directors shall be taken into consideration.

- Article 5
1. The Company shall specify the time and place for the Members to sign up and other matters which should be noticed in the notice of meeting.
  2. The time for the Members to sign up in the above provision shall be at least thirty minutes prior to the beginning of the meeting; the sign up place shall be clearly marked, and sufficient personnel shall be arranged for the sign up.
  3. The Members or the proxies the Members appoint ("Members") shall present the attendance pass, attendance cards or other certificate to attend the general meeting and the Company shall not ask for evidentiary documents other than the aforesaid. A solicitor of the proxies shall bring his/her personal ID for verification.
  4. The Company shall provide an attendance book allowing attending Members to sign in or require attending Members to submit attendance cards in lieu of signing in.
  5. The Company shall furnish attending Members with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of Directors, pre-printed ballots shall also be furnished.
  6. When the government or a juristic person is a Member, it may be represented by more than one representative at a general meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

- Article 6
1. If a general meeting of the Members is called by the Board of Directors, the Chairman of the Board of Directors shall preside at the said general meeting of the Members. In case the Chairman is on leave of absence, or cannot exercise his powers and authority, the Vice Chairman shall act in lieu of him. If there is no Vice Chairman, or the Vice Chairman is also on leave of absence, or cannot exercise his powers and authority, the Chairman shall designate a Managing Director to act in lieu of him; if there is no Managing Director, the Chairman shall designate a Director to act in lieu of him. If the Chairman does not designate a Director, the Managing Directors or Directors shall elect one from among themselves to act in lieu of the Chairman.
  2. If a Managing Director or a Director acts as the chairman in the above provision, he/she must have served the position for more than six months

and understand the financial and operational condition of the Company. This also applies if the chairman is the representative of a juristic person Director.

3. For the general meetings of the Members that are convened by the Board of Directors, it would be advisable that the Chairperson presides over the meetings and a majority of the Directors and at least one representative of each functional committees attend the meeting in person, and the attendance shall be recorded in the meeting minutes.
4. As for a general meeting of the Members convened by any other person having the convening right, he/she shall act as the chairman of that meeting provided, however, that if there are two or more persons having the convening right, the chairman of the meeting shall be elected from among themselves.
5. The Company may designate its lawyer, certified public accountant or other relevant persons to attend the general meeting of the Members.

#### Article 7

1. Since the Members sign up, the Company shall audio record and video record the process of the Members' sign up, the meeting procedure, and the counting of the votes in its entirety without any interval.
2. These audio and video records in the above provision shall be kept for at least one year. However, the said tapes shall be kept until the conclusion of legal proceedings if a Member initiates proceedings.

#### Article 8

1. Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and attendance cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.
2. The Chairman shall call the general meeting to order at the time scheduled. If the number of shares represented by the attending Members has not yet constituted the quorum (more than one-half of total issued shares) at the time scheduled for the Meeting, the Chairman may postpone the time for the Meeting. The postponements shall be limited to two times at most, and the Meeting shall not be postponed for more than one hour in total. If after two postponements the number of shares represented by the attending Members has not yet constituted more than one-half of the total issued shares, the Chairman shall announce the dissolution of the Meeting.

#### Article 9

1. The agenda of the general meeting shall be set by the Board of Directors if it is convened by the Board of Directors, relevant agendas (including the extempore motion or amendment of the existing agenda) shall be voted by poll. Unless otherwise approved by the Members in the general meeting, a general meeting shall proceed in accordance with the agenda.
2. The above provision applies to cases where the general meeting is

convened by any person, other than the Board of Directors, entitled to convene such meeting.

3. Unless otherwise resolved at the general meeting or in accordance with Article 18 of these Rules, the Chairman cannot announce adjournment of the meeting before all items listed in the agenda are resolved. In case that the Chairman adjourns the general meeting in violation of these Rules, other members of the Board of Directors shall promptly assist the attending Members to elect, by a majority of votes represented by attending Members present in the Meeting, another person to serve as the Chairman to continue the meeting in accordance with due procedures.
4. The Chairman shall provide sufficient time for the explanation and discussion of all items listed in the agenda and amendments submitted by the Members. The Chairman may announce an end of discussion and submit an item for a vote if the Chairman deems that the agenda item is ready for voting and the discussion and amendments proposed complied with the Articles and Applicable Law. Attendees should be offered with adequate time to vote.

#### Article 10

1. When a Member attending the meeting wishes to speak, a speech note should be filled out with summary of the speech, the Member's account number (or the number of attendance card) and the account name of the Member. The sequence of speeches shall be determined by the Chairman.
2. If any attending Member at the meeting submits a speech note but does not speak, no speech shall be deemed to have been made by such Member. In case contents of the speech of a Member are inconsistent with the contents of the speech note, the content of actual speech shall prevail.
3. The same Member may not speak more than twice concerning the same item without the Chairman's consent, and each speech time may not exceed five minutes. In case the speech of any Member violates the above provision or is outside the scope of the agenda item, the Chairman may stop the speech of such Member.
4. Unless otherwise permitted by the Chairman and the speaking Member, no Member shall interrupt the speech of the other Member. The Chairman shall stop such interruption.
5. If a corporate Member/ legal entity has appointed two or more representatives to attend the general meeting, only one representative can speak for each agenda item.
6. After the speech of a Member, the Chairman may make responses by himself/ herself or appoint an appropriate person to respond.

#### Article 11

1. Presenting and voting at a general meeting shall be based on the number

of shares.

2. The shares of Members with no voting rights shall not be included in the total number of issued shares while voting on resolutions.
3. To the extent permissible under the Statute, if there is concern that a Member's interest may conflict with and adversely affect the Company's interests with regard to any matters discussed at the meeting, that Member shall not participate in voting, and may not represent another Member to exercise his or her voting rights.
4. The number of shares of those Members not permitted to exercise their voting rights in the foregoing paragraph shall not be included in counting the total number of voting shares for attending Members.
5. Except in the case of a trust enterprise or securities proxy organization approved by the competent securities authority, the proxy voting rights of a person serving as a proxy for two or more Members may not exceed three percent (3%) of total issued shares voting rights. If it does exceed three percent (3%), the excess portion shall not be counted.

Article 12 Each Member is entitled to one vote for each share held. The above provision shall not apply to those persons whose voting rights are restricted or who have no voting rights according to Article 46 of the Articles.

Article 13

1. In voting, the Chairman or its designated person shall announce the total number of votes by the attending Members for each proposal, and the voting for each proposal shall be made on a poll. The Company shall publish the voting results (including the consent votes, the objection votes and those who waive their voting rights) to the MOPS on the same day of the meeting.
2. Should there be an amendment or alternative to one motion, the Chairman may combine the amendment or alternative into the original motion, and determine their order for resolution. If any one of the above shall be resolved, the others shall be considered as rejected, upon which no further resolution shall be required.

Article 14 The Chairman shall appoint persons responsible for checking and counting ballots during votes on agenda items. However, the persons responsible for checking ballots must be Members. The ballots shall be publicly counted at the Meeting venue and the result of voting, including the total number of the votes, shall be announced at the Meeting and placed on record after counting of the votes is finished.

Article 15

1. If the election of Directors is held at a general meeting, such an election shall be held in accordance with the Company's relevant election rules and procedures and the Articles. The result of the election must be announced at the meeting, including the list of the elected Directors and the number of their votes.

2. The ballots cast in the election in the foregoing paragraph must be given proper safekeeping and kept for at least one year upon sealed by and with signatures of the persons responsible for checking. If a Member initiates proceedings, ballots shall be kept until the end of the proceedings.

Article 16

1. Resolutions made at a general meeting shall be compiled in the form of minutes. The Chairman shall affix his/her signature or seal to the minutes, which shall be issued to Members within twenty (20) days after the end of the meeting. Minutes may be produced and issued to Members in electronic form. For as long as the Company's shares are listed on the Designated Stock Market, the minutes may be issued to Members by means of a public notice in accordance with the Articles.
2. The minutes must faithfully record the meeting's date (year, month, day), place, Chairman's name, resolution method, summary of proceedings, and results of resolutions through voting (including the number of votes). When the election of directors is held, the numbers of votes with those elected as directors shall be announced. Meeting minutes shall be kept for as long as the Company exists.
3. The number of votes casted for or against a resolution and the total number of votes cast shall be recorded in the minutes.
4. On the day of the shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.
5. If any matter put to resolution at the shareholders meeting constitutes material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or GreTai Securities Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17

1. The persons who handle the business of a general meeting of the Members shall wear an identification card or a badge.
2. The Chairman may direct disciplinary personnel or security personnel to maintain the order of the meeting. For doing so they shall wear an identification badge.
3. If there is any speaker device at the meeting venue, the Chairman of the meeting may prevent Members from delivering a speech using the device not provided by the Company.
4. The Chairman may direct the disciplinary personnel or security personnel to ask the Member who refuses to obey these Rules or the orders of the Chairman and disturbs the proceedings of the meeting to leave the meeting premises.

- Article 18
1. During the meeting, the Chairman may, at his or her discretion, set time for intermission. In exceptional cases, when there are incidents that temporarily prevent the normal progress of the general meeting, the Chairman may decide to temporarily suspend the meeting and announce, depending on the situation, the time that the Meeting will resume.
  2. Before the agenda set for the general meeting are completed, if the meeting venue cannot continue to be used for the meeting, the Members may resolve to find another location to continue the meeting. .
  3. The Members may resolve to adjourn the meeting within five (5) days in accordance with Article 182 of the ROC Company Law.
- Article 19
- Notwithstanding any provision to the contrary herein, any laws and regulations of any jurisdiction other than the laws of the Cayman Islands and any procedural rule set out herein shall only apply to the maximum extent permitted under the laws of the Cayman Islands and the Statute.
- Article 20
- Establishment and amendment to these Rules shall take effect upon adoption by the Members at a general meeting.

(Appendix 3)

**TaiGen Biopharmaceuticals Holdings Limited**

**Current Shareholdings of Directors**

**Record Date : March 28, 2023 (the book closure date)**

Position	Name	Number of shares current hold	Shareholding ratio (%)
Chairman	Kao Hsiang Investment Co.,Ltd. Representative : Kuo-Lung Huang	65,000	0.01%
Director	Kao Hsiang Investment Co.,Ltd. Representative : Hong-Jen Chang		
Director	Kao Hsiang Investment Co.,Ltd. Representative : Peter Wu		
Director	YFY Inc Representative : Show-Chung Ho	97,502,590	13.60%
Director	National Development Fund,Executive Yuan Representative : Chi-Kung Ho	103,007,259	14.37%
Director	Taiwan Sugar Corporation Representative : Kuo-Hsi Wang	43,883,058	6.12%
Independent Director	Weng-Foung Huang	0	0
Independent Director	Ye-Hong Zhang	0	0
Independent Director	Shen-Fu Yu	0	0
<b>Total shares held by all Directors</b>		<b>244,457,907</b>	<b>34.10%</b>

Note 1 : The total number of shares issued and outstanding was 716,844,175 with \$0.001 per share par value.

**(Appendix 4)**

**The Acceptance of the Shareholders' Proposals for the Shareholders Meeting  
This Year**

1. According to Article 33 of the Memorandum and Articles of Association, shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of the Company may propose to the Company a proposal for discussion at the general shareholders' meeting. The number of words of a proposal to be submitted by a shareholder shall be limited to not more than three hundred (300) words.
2. The period for such acceptance of shareholders' proposals: from March 21, 2023 to March 31, 2023; the information has been announced on the Market Observation Post System.
3. The Company did not receive any shareholders' proposal during the aforesaid period.