

Stock Code: 8432



東生華製藥股份有限公司
tsh biopharm corporation ltd.

2021

Annual Shareholders' Meeting

Proceedings Handbook

Meeting Date: May 28, 2021

Meeting Place: Audiovisual Classroom, Nangang Software
Park 2 (3/F, Building F, No. 3-1, Park St.,
Nangang Dist., Taipei City)

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I. Meeting Agenda

TSH Biopharm Corporation, Ltd.

Agenda of 2021 Annual Shareholders' Meeting

Time: 9:00 am, May 28, 2021 (Friday)

Place: Audiovisual Classroom, Nangang Software Park 2

(3/F, Building F, No. 3-1, Park St., Nangang Dist., Taipei City)

Meeting Procedure:

1. Call the Meeting to Order (report the number of attending shares).
2. Chairperson Takes Chair.
3. Chairperson Remarks.
4. Report Items.
 - (1) 2020 Business Report.
 - (2) Audit Committee's Review Report on the 2020 Financial Statements.
 - (3) Report on 2020 Employees' and Directors' Remuneration.
 - (4) Amendment to the "Code of Ethical Conduct".
 - (5) Establishment of the Procedures for Ethical Management and Guidelines for Conduct".
5. Ratification Items.
 - (1) 2020 Business Report and Financial Statements
 - (2) 2020 Earning Distribution.
6. Discussion Items
 - (1) Release of Non-competition Restriction on Directors.
7. Questions and Motions
8. Adjournment

II. Report Items

Report No. 1

2020 Business report

Description: Please refer to Pages 10~13 of Annex 1 for the 2020 business report.

Report No. 2

Audit Committee’s Review Report on the 2020 Financial Statements.

Description:

1. The financial statements, business report and 2020 profit distributable tables have been reviewed by the Audit Committee.
2. Please refer to Page 14 of Annex 2 for the Audit Committee’s review report.

Report No. 3

Report on 2020 Employees’ and Directors’ Remuneration.

Description: The net profit before tax of the Company before the remuneration of employees and directors is NT\$ 80,449,900 in 2020. Pursuant to Article 29 of the Articles of Incorporation, 2% and 2% of profit before tax amounting to \$1,608,998 and \$1,608,998 shall be as allocated as employees’ and directors’ remuneration respectively and the total amount will be distributed in cash. There is no difference between the above amount and the amount recognized as expenses in 2020.

Report No. 4

Amendment to the “Code of Ethical Conduct”.

Description:

1. The “Code of Ethical Conduct” is amended in line with the Letter No. Securities-TPEX-Supervision 10900582661 of the Taipei Exchange and the actual needs of the Company.
2. The amendment comparison table of the “Code of Ethical Conduct” is as follows:

TSH Biopharm Corporation Ltd.
Amendment Comparison Table of Code of Ethical Conduct

Before amendment	After amendment	Description of amendment
<p>3. Prevention of conflict of interest</p> <p>The directors and managers of the Company should deal with official business in an objective and efficient manner, and shall not obtain improper benefits for themselves, their spouse, parents, children, or second-degree relatives through the convenience of holding their position. If there is a loan</p>	<p>3. Prevention of conflict of interest</p> <p>The directors and managers of the Company should deal with official business in an objective and efficient manner and shall not intend to obtain improper benefits for themselves, their spouses or second-degree relatives through the convenience of holding their position. If there is a loan endorsed and guaranteed</p>	<p>Refer to Guidelines for “the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies”.</p>

Before amendment	After amendment	Description of amendment
<p>endorsed and guaranteed for the Company and the aforementioned personnel or their affiliated company, a material asset transaction, or a purchase/sale transaction, all shall be handled in accordance with the Company and other parties’ “Procedure for, “Endorsement and Guarantee”, “Procedure for Acquisition or Disposal of Assets” and related procurement and supply operation regulations.</p>	<p>for the Company and the aforementioned personnel or their affiliated company, a material asset transaction, or a purchase/sale transaction, all shall be handled in accordance with the Company and other parties’ “Procedure for, “Endorsement and Guarantee”, “Procedure for Acquisition or Disposal of Assets” and related procurement and supply operation regulations.</p>	<p>The text is simplified since parents and children are also second-degree relatives.</p>
<p>9. Whistle-blowing procedure The Company should enhance the promotion of this Code internally. If any employee suspects or discovers violation of the laws and regulations or this Code, they shall report to the Audit Committee, manager, internal audit head, or other appropriate personnel with their real name in writing, and the aforementioned person being reported to shall do her/his very best to carry out the duty of protecting the whistleblower.</p>	<p>9. Whistle-blowing procedure The Company should enhance the promotion of this Code internally. If any employee suspects or discovers violation of the laws and regulations or this Code, they shall report to <u>the responsible unit of the Company</u> with their real name in writing, <u>and the identity of the whistleblower should be kept confidential</u>, and the responsible unit of the Company shall do its very best to carry out the duty of protecting the whistleblower.</p>	<p>Refer to the Company’s “Whistle-blowing system” for the corresponding amendment.</p>
<p>10. Disciplinary measures Any director of the Company violating this Code shall be prosecuted according to the civil code, criminal code and related laws and regulations; and any manager of the Company violating this Code shall be punished appropriately according to the work rules. After the disciplinary measure for violation of this Code in the preceding paragraph is confirmed, the date of violation by the violator, reasons for the violation, the provisions of the code violated and the discipline actions taken shall be disclosed on Market Observation Post System (MOPS) immediately, and any damage to the Company caused by substantial violations shall be reclaimed.</p>	<p>10. Disciplinary measures <u>10.1</u> Any director of the Company violating this Code shall be prosecuted according to the civil code, criminal code and related laws and regulations; and any manager of the Company violating this Code shall be punished appropriately according to the work rules. <u>10.2</u> After the disciplinary measure for violation of this Code in the preceding paragraph is confirmed, the date of the violation by the violator, reasons for the violation, the provisions of the code violated and the discipline actions taken shall be disclosed on Market Observation Post System (MOPS) immediately, and any damage to the Company caused by substantial violations shall</p>	<p>Number</p>

Before amendment	After amendment	Description of amendment																				
	be reclaimed.																					
<p>13. Method of disclosure This Code shall be disclosed in the Company's website, annual report, public prospectus, and Market Observation Post System, and the same procedure shall apply to its amendments.</p>	<p>13. Method of disclosure This Code as well as its amendments shall be disclosed in the Company's website, annual report, public prospectus, and Market Observation Post System.</p>	<p>Amendment is made for consistency.</p>																				
<p>15. Promulgation and enforcement This Code shall be implemented after the resolution by the Board of Directors and shall be submitted to the shareholders' meeting for report, and the same procedure shall apply to its amendments.</p> <table border="1" data-bbox="121 855 668 1263"> <thead> <tr> <th>Version</th> <th>Publication (Revision Date)</th> <th>Effective Date</th> <th>Reason</th> </tr> </thead> <tbody> <tr> <td>01</td> <td>2012/6/12</td> <td>2012/6/12</td> <td>Establishment</td> </tr> <tr> <td>02</td> <td>2015/3/23</td> <td>2015/3/23</td> <td>Add related regulations according to the Personal Data Protection Act</td> </tr> <tr> <td>03</td> <td>2017/05/02</td> <td>2017/06/15</td> <td>Set up the Audit Committee, and delete supervisors in this code.</td> </tr> </tbody> </table>	Version	Publication (Revision Date)	Effective Date	Reason	01	2012/6/12	2012/6/12	Establishment	02	2015/3/23	2015/3/23	Add related regulations according to the Personal Data Protection Act	03	2017/05/02	2017/06/15	Set up the Audit Committee, and delete supervisors in this code.	<p>15. Promulgation and enforcement This Code shall be implemented after the resolution by the Board of Directors and shall be submitted to the shareholders' meeting for report, and the same procedure shall apply to its amendments.</p>	<p>Versions are listed separately. The serial number is adjusted and shifted to No. 16 accordingly.</p>				
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Version	Publication (Revision Date)	Effective Date	Reason																			
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Report No. 5

Establishment of “Procedures for Ethical Management and Guidelines for Conduct”.

Description: The Company engages in business activities based on the principles of fairness, honesty, trustworthiness and transparency. To implement the ethical management policy and actively prevent dishonest conducts, the Company establishes the “Procedures for Ethical Management and Guidelines for Conduct” as described on p23~30 of Annex 4.

III. Ratification Items

Item 1Proposed by the Board of Directors

2020 Business Report and Financial Statements

Description:

1. The business report and financial statements have been approved by the Board of Directors, and the financial statements were audited by independent auditors , Shin-chin Chih and CPA and Kuo-Yang Tzeng CPA of KPMG Firm , with “Unqualified Opinion”.
2. The aforementioned business report and financial statements have been reviewed by the Audit Committee.
3. Please refer to P10~13 and P15~22 of Annex 1 and Annex 3 for the business report and financial statements.

Resolution:

Item 2Proposed by the Board of Directors

2020 Earning Distribution.

Description:

1. It is proposed to withdraw NT\$ 69,116,652 from the distributable earnings and allocate this amount as cash dividends according to the shareholders and their number of shares listed in the remaining amount shareholder register on the ex-dividend date and NT\$ 1.8 is allocated per share rounded down to the nearest dollar which will be included in other income of the Company. After the proposal is passed by the shareholders’ meeting, the Chairperson is authorized to resolve an ex-dividend date, a payment date and other relevant matters.
2. If any subsequent change of the Company’s share capital that affects the number of shares outstanding, the proposed profit distribution will be changed accordingly. It is proposed that the Chairperson is fully authorized by the shareholders’ meeting to handle relevant matters.
3. 2020 profit distribution table is given below:

TSH Biopharm Corporation Ltd.
Profit Distribution Table
Year 2020

Items	Amount	Note
Beginning retained earnings	9,123,674	
Add: Dispose of investments in equity instruments measured at fair value through other comprehensive income	98,917,196	
Add: Net profit after tax	61,569,590	
Less: 10% legal reserve	16,048,679	
Distributable net profit:	153,561,781	
Distributable Items:		
Cash dividend	69,116,652	Cash Dividend: NT\$ 1.80 per share.

Unappropriated retained earnings	84,445,129
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Note: The aforementioned dividends are calculated based on 38,398,140 shares issued by the Company as of March 10, 2021.

Chairperson: Chuan Lin; General Manager: Sze-Yuan Yang; Chief Accountant: Chen-JU Kan

Resolution:

(English Translation of the Parent Company Only Financial Statements Originally Issued in Chinese)

TSH Biopharm Corporation Ltd.

Balance Sheets

December 31, 2020 and 2019

(Expressed in thousands of New Taiwan Dollars)

IV. Discussion Items

Item 1

Proposed by the Board of Directors

Release of Non-competition Restriction on Directors

Description:

1. In line with the Company's operation strategy and actual business development requirement, it is proposed that the shareholders' meeting approves the director of the Company to engage in acts that fall within the business scope of the Company for themselves or others, without restricted by Article 209 of the Company Act.
2. The director of the Company having a new concurrent position in another company is listed below:

Position	Name	New concurrent position of another company	
Director	TTY Biopharm Company Limited	TTY Biopharm Turkey Health Products Industry and Trade Limited Company	Director

Resolution:

V. Questions and Motions

VI. Adjournment

VII. Annexes

Annex 1

TSH Biopharm Coporation Ltd Business Report

The Company's Business Result for year 2020

(1) Business Plan Implementation Result

The Company's net operating revenue in 2020 is NT\$ 447,862,000 with a decrease of NT\$ 59,804,000 (11.78%) from NT\$ 507,666,000 of 2019. The net profit after tax in 2020 is NT\$ 61,570,000 with a decrease of NT\$ 23,757,000(27.84 %) from NT\$ 85,327,000 of 2019. The revenue mainly comes from cardiovascular diseases, gastrointestinal diseases and precision medical related testing products. The reduction is caused by the termination of the agency of some drugs and the delay of the R&D milestone due to the impact of the epidemic, so that the service revenue was not up to expectations.

(2) Budget Implementation

The Company's net operating revenue in 2020 is NT\$ 447,862,000, achieving 80% of the annual budget target.

(3) Financial Income & Expenditure and Profitability Analysis

Item	Year	2020
Financial Income & Expenditure	Interest Income (in thousand dollars)	2,238
	Interest Expense (in thousand dollars)	27
Profitability Analysis	Return on Asset (%)	4.94
	Return on Shareholder's Equity (%)	5.47
	Net Profit Margin (%)	13.75
	Diluted Earnings Per Share (in dollars)	1.60

(4) Research & Development

The achievements on the introduction and development of new products in 2020 are summarized below:

- March 2020:
Agreement was signed with international pharmaceutical manufacturer to apply for the New Drug Application (NDA) in Taiwan for the new compound drug R19.
- March 2020:
The new chemical entity (NCE), Rancad[®] Extended Release Tablet, was approved by the Ministry of Health and Welfare and granted with the marketing approval.

- April 2020:
- August 2020:
Cooperation agreement was signed with Anxo Pharmaceutical for the joint development of the new high-tech compound drug for cardiovascular disorders (ABTA19).
- September 2020:
Supplement of the new compound drug R19 for the New Drug Application (NDA) in Taiwan was completed.
- October 2020:
The drug certificate transfer for the new high-tech compound drug for cardiovascular disorders (ABTA19) was completed.
- October 2020:
The new drug AC20 developing partnership agreement was signed.
- October 2020:
The Taiwan exclusive agency agreement was signed with Korean company for cancer genetic testing.

There are still a number of new products in the evaluation stage, which are expected to be introduced or solely developed. Our developing medicines are mainly based on Taiwanese new drugs, including new ingredients and new drugs and 505B2 (such as biosimilar drugs, new compounds, and new dosage forms) and completed by self or joint development, and it is estimated that at least 3 new drugs will be launched in Taiwan in the coming five years. Meanwhile, the products developed and sold in Southeast Asia are expected to be launched in 8 countries within five years and jointly sold with strategic partners in China, the United States, Japan, and Europe.

Summary of Business Plan 2021

(1) Business Operating Strategy

In 2019, a five-year “dual transformation period” was set in the operating strategy to “actively explore Asian markets and deeply plough in Taiwan market”. In the past year, we have launched the new drug Rancad[®], and actively seek for the health insurance payment for Rancad[®] to benefit angina patients in Taiwan. In 2020, we have also invested in the evaluation and development of two new projects, and thus a total of seven drug development projects are currently in progress. Some of these new drugs have exclusive sales right in Taiwan and some have self-development right (which is the right to sell the drugs from Taiwan to countries all over the world such as China, the United States, Japan and Europe). In addition to the original existing products, the genetic testing team established in 2019 has also launched the MPap[®] Test in April 2020, and the pap method reduces the unnecessary invasive test by providing another alternative of cervical cancer screening to testees.

Continuing from 2020, it is also expected that new products will be launched in 2021 to provide more treatment options to patients in Taiwan, while providing a driving force to improve the entire operation and talent cultivation of TSH. TSH is moving towards the five-year goal, in hope of creating better welfare and environment of work for everyone.

(2) Expected Sales Volume and its Basis

The Company expects to sell 161,893,000 oral preparations and 60,000 injection preparations in 2021. The expected sales volume is based on the statistical report of IMS and set by taking the competition and the change of supply and demand of the future market.

(3) Important Production and Marketing Policies:

1. Business Planning

- The Company will accelerate the growth of performance in the export of self-made products and oversea licenses of early-stage developed products. In addition to maintaining the progress of the international certification of original existing developed products, the corporation will also introduce joint developments and add values to international early-stage new drugs and use the “Double Engine” strategy to devote on the international drug development and sales & marketing.
- New Business Model of Biotechnological Industry: The Corporation will introduce testing items accompanied with precision medicine. With the rise of precision medicine, testing has become a part of treatment or preventive medicine, and AI becomes more popular and easy-to-access, and TSH Biopharm will continue to launch related testing products to satisfy more clinical requirements.

2. Production Strategy

To continue the corporation's strategy in the past, the part of drug production is still mainly based on commissioned production. At present, all products are commissioned and produced by PIC/S GMP certified manufacturing factories, and the testing business also adopts the same strategy and international-level certified laboratories while paying close attention to the implementation priorities and impact of the “Amendment of the Implementation of Specific Medical Technology Inspection and Medical Instruments Inspection or the Amendment to the Management of Use” and its impact. In 2020, the Company will cooperate with Korean testing companies. It is also expected that 2021 will also add new major testing factories in Europe, America and Japan. International certification specifications are provided for testing products.

3. Marketing and R&D Strategy

Double Engines Moving forward in Three Rails to Provide Better Health Services

Under the influence of Covid-19 in 2020, many behavioral patterns undergo huge changes that have not been eased, and the ten-year old TSH Biopharm also starts to change with the environment. We continue to focus on “Patient-centered” as our starting point and move forward by “double engines moving forward in three rails” and use “traditional pharmaceuticals” and “innovative medical treatments” as the mainstreams to create a medical product portfolio to satisfy patients with unmet medical needs and develop new ingredients, special formulations, chronic disease treatments, genetic testing, cancer testing, and joint development of innovative therapy, and become an international innovative biotech manufacturer and the best new drug development and marketing partner in Asia, and the Company is committed to provide better health services to all people before, during and after medical treatment.

The Company’s Development Strategy

Corporate Vision: Committed to improve the quality of life of patients with unmet medical needs.

Corporate Missions:

1. “Becoming an international innovative biotech manufacturer and the best new drug development and marketing partner in Asia.”
2. “Creating a medical product portfolio for patients with unmet medical needs.”
3. “Developing new ingredients, special formulations, chronic disease treatments, genetic testing, cancer testing, and joint development of innovative therapy.”

Impacts from the External Competitive Environment, the Legal Environment and the Overall Economic Environment

Challenge 1: The impact of COVID-19 on the pharmaceutical industry.

- In 2020, COVID-19 has a huge impact on the whole world. There were problems of the supply chain (including active pharmaceutical ingredient (API) and manufacturing capacity) observed in the pharmaceutical industry in early 2020, and the R&D also had impacts. A large proportion of clinical trials currently in progress or going to be started have delayed the schedule of patient recruitment due to the COVID-19 epidemic, directly causing a delay of the product development schedule. Most of the TSH Biopharm’s currently planned clinical trials are to be conducted in Taiwan, and thus having a relatively smaller impact. However, some of our partners expect that the progress of product delivery will be affected, and TSH Biopharm has started a supporting program, and these testing products are expected to be launched in Taiwan by the end of 2021 as scheduled.

Challenge 2: The global pharmaceutical industry is transforming rapidly.

- In the continuation of increases of global medical expenses, costs, political and economic changes and other factors in recent years, the rise of big data and precision medicine will lead to a rapid change of the business model of pharmaceutical companies. Therefore, TSH Biopharm conducts the double engines to move forward in dual rails in order to maintain the existing R&D power to launch a new drug on the market every year, and actively invest in innovation in line with the international trend.

Challenge 3: The trend of international investments and merges

- More and more startup companies are willing to invest in early-stage developments, and large pharmaceutical companies can participate in these startup companies through direct investments or licensing and allow the startup companies to develop new drugs in a more precise way, lowers risks, and improves the success rate. TSH Biopharm has also started diversified investments since 2019 or the goal of entering into the field of new products with the concept of strategic alliance. Several new evaluation cases have been added in 2020, and it is expected that progress can be made by 2021.

In the highly competitive environment, we will focus more on risk control, enhance specific regional channels, and cooperate with partners to expand our originally existing therapeutic areas.

Chairperson: Chuan Lin; General Manager: Sze-Yuan Yang; Chief Accountant: Chen-Ju Kan

Annex 2

**TSH Biopharm Corporation, Ltd.
Audit Committee's Review Report**

The Board of Directors has prepared the year 2020 business report, financial statements, and profit distribution table, Shin-Chin Chih CPA and Kuo-Yang Tzeng CPA of KPMG Taiwan were retained to audit TSH Biopharm Corporation Ltd.'s financial statements and have issued an audit report relating to the financial statements. The aforementioned reports and statements prepared by the Board of Directors has been reviewed by Audit Committee and believed that there is no incompatibility, and thus reported as above in pursuant to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Attention to

TSH Biopharm, Shareholders' Meeting 2021

Audit Committee Convener: Chih Li Wang

March 10, 2021

Annex 3

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of TSH Biopharm Corporation Ltd.

Opinion

We have audited the financial statements of TSH Biopharm Corporation Ltd. (“the Company”), which comprise the balance sheets as of December 31, 2020 and 2019, the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the years ended December 31, 2020 and 2019, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019 and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for Opinion

We conducted our audit in accordance with the “Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants” and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. 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 parent company only financial statements of the current period. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Key audit matters for the parent company only financial statements in the current period are stated as follow:

1. Valuation of Inventories

Please refer to notes 4(7), 5 and 6(6) of the notes to the parent company only financial statement for the accounting policies on measuring inventory, assumptions used and uncertainties considered in determining net realizable value, allowances for impairment loss and obsolescence and balances of impairment loss and obsolescence, respectively.

Description of key audit matter:

Inventories are stated at of cost and net realizable value. Due to fierce competition in pharmaceutical industry and the declining prices of health insurance drugs every year, which will affect the sales prices of related products, resulting in a risk that the cost of inventories to exceed its net value. Therefore, inventory evaluation is one of the key audit matters for our audit.

How the matter was addressed in our audit:

Our audit procedures for the above key audit matters included assessing the Company's inventory allowance amount based on the nature of the inventories; performing audit to check the correctness of the inventory age report; reviewing the company's past inventory allowances and assessing whether the estimation methods and assumptions are appropriate; observe the inventory count and check the inventory status to assess whether the inventory is expired or damaged; sampling the latest sales prices of inventory and assessing the reasonableness of net realizable value; assessing whether disclosure items for inventory allowances are appropriate.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 auditing standards generally accepted in 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 parent company only financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercised professional judgment and maintained professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only 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 Company'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 identified during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and 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 parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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 audit resulting in this independent auditor's report are Shin-Chin Chih and Kuo-Yang Tseng.

KPMG

Taipei, Taiwan (Republic of China)

March 10, 2021

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

(English Translation of the Parent Company Only Financial Statements Originally Issued in Chinese)
TSH Biopharm Corporation Ltd.
Balance Sheets
December 31, 2020 and 2019
(Expressed in thousands of New Taiwan Dollars)

Assets		December 31, 2020		December 31, 2019		Liabilities and Equity		December 31, 2020		December 31, 2019	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (notes 6(1) and (20))	\$ 396,701	32	\$ 224,212	18	2130	Contract liabilities-current (notes 6(17) and (20))	\$ -	-	\$ 2,483	-
1120	Current financial assets at fair value through other comprehensive income (notes 6(3)、(20) and 13)	62,216	5	149,727	12	2150	Notes payable (note 6(20))	1,469	-	495	-
1150	Notes receivable, net (notes 6(4)、(17)、(20) and 7)	15,577	1	19,637	2	2160	Notes payable to related parties (notes 6(20) and 7)	-	-	5	-
1170	Accounts receivable, net (notes 6(4)、(17) and (20))	90,881	8	97,818	8	2170	Accounts payable (note 6(20))	2,835	-	7,859	1
1180	Accounts receivable from related parties (notes 6(4)、(17)、(20) and 7)	2,421	-	517	-	2180	Accounts payable to related parties (notes 6(20) and 7)	3,114	-	32,749	3
1200	Other receivables (notes 6(5)、(20) and 7)	2,981	-	1,378	-	2200	Other payables (notes 6(11)、(20) and 7)	70,118	6	81,238	6
130x	Inventories (note 6(6))	77,906	6	59,055	4	2230	Current income tax liabilities	15,651	1	8,798	1
1476	Other financial assets—current (notes 6(1)、(10) and (20))	266,751	22	308,660	24	2280	Current lease liabilities (notes 6(12)、(20)、(23) and 7)	4,365	-	4,216	-
1479	Other current assets (notes 6(10) and 7)	28,407	2	24,880	2	2300	Other current liabilities	1,066	-	949	-
		<u>943,841</u>	<u>76</u>	<u>885,884</u>	<u>70</u>			<u>98,618</u>	<u>7</u>	<u>138,792</u>	<u>11</u>
Non-current assets:						Non-current liabilities:					
1510	Non-current financial assets at fair value through profit or loss (notes 6(2)、(20) and 13)	-	-	5,874	1	2580	Non-current lease liabilities (notes 6(12)、(20)、(23) and 7)	4,418	-	-	-
1517	Non-current financial assets at fair value through other comprehensive income (notes 6(3)、(20) and 13)	240,804	20	327,148	26						
1600	Property, plant and equipment (note 6(7))	25,255	2	26,225	2		Total liabilities	<u>103,036</u>	<u>7</u>	<u>138,792</u>	<u>11</u>
1755	Right-of-use assets (note 6 (8))	8,783	1	4,191	-		Equity (note 6(15)) :				
1780	Intangible assets (note 6 (9))	6,180	1	8,239	1	3100	Capital stock	383,981	31	383,981	31
1840	Deferred income tax assets (note 6 (14))	1,256	-	1,773	-	3200	Capital surplus	458,977	38	458,977	36
1920	Refundable deposits paid (notes 6(10)、(20) and 7)	2,636	-	3,375	-		Retained earnings :				
1984	Other non-current financial assets (notes 6(10) and (20))	625	-	1,046	-	3310	Legal reserve	97,016	8	88,483	7
		<u>285,539</u>	<u>24</u>	<u>377,871</u>	<u>30</u>		Unappropriated retained earnings	169,610	14	86,773	7
		<u>\$ 1,229,380</u>	<u>100</u>	<u>\$ 1,263,755</u>	<u>100</u>	3350	Other equity	16,760	2	106,749	8
						3400	Total equity	<u>1,126,344</u>	<u>93</u>	<u>1,124,963</u>	<u>89</u>
Total assets		<u>\$ 1,229,380</u>	<u>100</u>	<u>\$ 1,263,755</u>	<u>100</u>		Total liabilities and equity	<u>\$ 1,229,380</u>	<u>100</u>	<u>\$ 1,263,755</u>	<u>100</u>

(English Translation of the Parent Company Only Financial Statements Originally Issued in Chinese)

TSH Biopharm Corporation Ltd.
Statements of Comprehensive Income
For the years ended December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

	2020		2019	
	AMOUNT	%	AMOUNT	%
4000 Operating revenue (notes 6(17) and 7)	\$ 447,862	100	\$ 507,666	100
5000 Operating costs (notes 6(6) and 7)	162,670	36	192,936	38
Gross profit	285,192	64	314,730	62
6000 Operating expenses (notes 6(4)、(13)、(18)、 7 and 12):				
6100 Selling expenses	124,836	28	142,627	28
6200 Administrative expenses	57,474	13	63,119	13
6300 Research and development expenses	28,681	6	52,781	10
6450 Expected credit loss (gain)	(103)	-	5	-
	210,888	47	258,532	51
Operating income	74,304	17	56,198	11
Non-operating income and expenses (notes 6(12)、(19) and 7):				
7100 Interest income	2,238	-	2,843	-
7010 Other income	57	-	60	-
7020 Other gains and losses	660	-	44,336	9
7050 Finance costs	(27)	-	(82)	-
	2,928	-	47,157	9
Profit before tax	77,232	17	103,355	20
7950 Income tax expense (note 6(14))	(15,662)	(3)	(18,028)	(3)
Profit for the year	\$ 61,570	14	\$ 85,327	17
8300 Other comprehensive income				
8310 Components of other comprehensive income that will not be reclassified to profit or loss				
8316 Unrealized gains (losses) from investments in equity instruments at fair value through other comprehensive income	8,928	2	(19,808)	(4)
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
Components of other comprehensive income that will not be reclassified to profit or loss	8,928	2	(19,808)	(4)
8300 Other comprehensive income	8,928	2	(19,808)	(4)
Total comprehensive income	\$ 70,498	16	\$ 65,519	13
Earnings per share (note 6(16))				
9750 Basic earnings per share	\$ 1.60		\$ 2.22	
9850 Diluted earnings per share	\$ 1.60		\$ 2.22	

(English Translation of the Parent Company Only Financial Statements Originally Issued in Chinese)

TSH Biopharm Corporation Ltd.
Statements of Changes in Equity
For the years ended December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

	Ordinary share capital	Capital surplus	Legal reserve	Retained earnings	Other equity interest	Total equity
				Unappropriated retained earnings	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	
Balance as of January 1, 2019	\$ 383,981	\$ 458,977	\$ 82,705	\$ 68,661	\$ 126,557	\$ 1,120,881
Net income for the year	-	-	-	85,327	-	85,327
Other comprehensive income for the year	-	-	-	-	(19,808)	(19,808)
Total comprehensive income for the year	-	-	-	85,327	(19,808)	65,519
Appropriation and distribution of retained earnings:						
Appropriation for legal reserve	-	-	5,778	(5,778)	-	-
Cash dividends of ordinary share distributed	-	-	-	(61,437)	-	(61,437)
Balance as of December 31, 2019	383,981	458,977	88,483	86,773	106,749	1,124,963
Net income for the year	-	-	-	61,570	-	61,570
Other comprehensive income for the year	-	-	-	-	8,928	8,928
Total comprehensive income for the year	-	-	-	61,570	8,928	70,498
Appropriation and distribution of retained earnings:						
Appropriation for legal reserve	-	-	8,533	(8,533)	-	-
Cash dividends of ordinary share distributed	-	-	-	(69,117)	-	(69,117)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	98,917	(98,917)	-
Balance as of December 31, 2020	\$ 383,981	\$ 458,977	\$ 97,016	\$ 169,610	\$ 16,760	\$ 1,126,344

TSH Biopharm Corporation Ltd.
Statements of Cash Flows
For the years ended December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Profit before tax	\$ 77,232	\$ 103,355
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation	7,127	7,138
Amortization	2,522	2,474
Expected credit (gain) loss	(103)	5
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	1,558	(378)
Interest expense	27	82
Interest income	(2,238)	(2,843)
Dividend income	(6,420)	(6,315)
Loss on disposal of property, plant and equipment	-	8
Impairment loss from non – financial assets	4,583	-
Gain on lease modification	-	(2)
Total adjustment to reconcile profit (loss)	<u>7,056</u>	<u>169</u>
Changes in operating assets and liabilities:		
Decrease in notes receivable	4,060	252
Decrease (increase) in accounts receivable (including related parties)	5,136	(2,305)
Increase in other receivables	(1,603)	(113)
Increase in inventories	(18,851)	(11,680)
Increase in other current assets	(8,110)	(23,574)
(Decrease) increase in contract liabilities	(2,483)	494
Increase (decrease) in notes payable (including relate parties)	969	(864)
(Decrease) increase in accounts payable (including relate parties)	(34,659)	5,030
(Decrease) increase in other payables	(11,171)	24,233
Increase in other current liabilities	117	210
Total changes in operating assets and liabilities	<u>(66,595)</u>	<u>(8,317)</u>
Total adjustments	<u>(59,539)</u>	<u>(8,148)</u>
Cash flows from operations	17,693	95,207
Interest received	2,238	3,379
Interest paid	(27)	(82)
Income tax paid	(8,293)	(9,856)
Net cash flows from operating activities	<u>11,611</u>	<u>88,648</u>

TSH Biopharm Corporation Ltd.
Statements of Cash Flows
For the years ended December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

	<u>2020</u>	<u>2019</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	\$ -	(\$ 90,567)
Proceeds from disposal of financial assets at fair value through other comprehensive income	182,784	-
Proceeds from disposal of financial assets at fair value through profit or loss	4,316	(-)
Acquisition of property, plant and equipment	(1,916)	(2,997)
Decrease in guarantee deposits paid	739	1,124
Acquisition of intangible assets	(463)	(141)
Decrease in other financial assets - current	41,909	71,268
Decrease in other financial assets - non-current	421	-
Dividends received	6,420	6,315
Net cash flows from (used in) investing activities	<u>234,210</u>	<u>(14,998)</u>
Cash flows used in financing activities:		
Payments of lease liabilities	(4,215)	(4,371)
Cash dividends paid	(69,117)	(61,437)
Net cash flows used in financing activities	<u>(73,332)</u>	<u>(65,808)</u>
Net increase in cash and cash equivalents	172,489	7,842
Cash and cash equivalents at beginning of year	224,212	216,370
Cash and cash equivalents at end of year	<u>\$ 396,701</u>	<u>\$ 224,212</u>

TSH Biopharm Corporation, Ltd.

Procedures for Ethical Management and Guidelines for Conduct

1. Purpose of adoption and scope of application

- 1.1 The Company engages in commercial activities following the principles of fairness, honesty, faithfulness, and transparency. To fully implement a policy of ethical management and actively prevent unethical conducts, the Company has established “Procedures for Ethical Management and Guidelines for Conduct in accordance with the Company’s “Ethical Corporate Management Best Practice Principles” and the applicable laws and regulations of the places where the Company operates and specifically regulates the matters that personnel of the Company should pay attention to when carrying out their work.
- 1.2 These Procedures and Guidelines are a part of the Company’s ethical management policy.

2. Applicable subjects

- 2.1 The term “personnel of the Company” mentioned in the Procedures and Guidelines refers to the director, manager, employee, mandatary, and persons having substantial control of the Company.
- 2.2 Any provision, promise, request, or acceptance of improper benefit by any personnel of the Company through a third party will be presumed to be an act by the personnel of the Company.

3. Unethical conduct

- 3.1 The term “unethical conduct” mentioned in these Procedures and Guidelines is the conduct defined as Article 2 of the Company’s Ethical Corporate Management Best Practice Principle”.
- 3.2 The counterparties of the aforementioned conduct are an object defined as Article 2 of the Company’s Ethical Corporate Management Best Practice Principle”.

4. Types of benefits

The term “benefits” mentioned in these Procedures and Guidelines refers to any money, gratitude gift, present, commission, position, service, preferential treatment, rebate, facilitating payment, entertainment, dining, or any other term of value in whatever form or name.

5. Responsible unit and duties

The Company designates the Company’s Ethical Management Promotion Team as the solely responsible unit (hereinafter referred to as the Company’s “Responsible Unit” under the Board of Directors.) the head of General Management Division acts as convene. The Responsible Unit is formed by the Head of Business Development Division, Head of H&R, Head of Accounting and Legal staff and in charge of the amendment, implementation, interpretation and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports and the monitoring of implementation. The Responsible Unit shall be in charge of following matters and also submit regular (at least once a year) report to the Board of Directors:

- 5.1 Assisting in incorporating ethics and moral values into the Company’s business strategy, and adopting appropriate prevention measure against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.
- 5.2 Analyzing and evaluating the risks of unethical conduct within the business scope on a regular basis (at least once for every half year), and accordingly adopting programs to prevent unethical conduct, and setting out in each program the standard operating procedures and

guidelines for conduct with respect to the Company's operations and business.

- 5.3 Planning the internal organization, structure, and allocation of responsibilities, and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.
- 5.4 Promoting and coordinating awareness and educational activities with respect to ethics policy.
- 5.5 Developing the whistle-blowing system to ensure the effectiveness of execution.
- 5.6 Assisting the Board of Directors and Management to audit and evaluate whether or not the implementation of the preventive measures established for the ethical management operates effectively, and prepare reports on the regular assessment of compliance with ethical management in operating procedures.
- 5.7 Preparing and properly keeping documented information with regard to Ethical Management Policy and its compliance statement, fulfillment of commitments as well as status of execution.

6. Prohibition against providing or accepting improper benefits

Except under one of the following circumstances, when providing, accepting, promising, or requesting, directly or indirectly any benefits as specified in Article 4, the conduct of the given personnel of the Company shall comply with the provisions of the "Ethical Corporate Management Best Practice Principles" and these Procedures and Guidelines, and the relevant procedures shall have been carried out:

- 6.1 The conduct is undertaken to meet business needs and is in accordance with local courtesy, convention, or custom during domestic (or foreign) visits, reception of guests, promotion of business, and communication and coordination.
- 6.2 The conduct has its basis in ordinary social activities that are attended or others are invited to hold in line with accepted social custom, commercial purposes, or developing relationships.
- 6.3 Invitations to guests or attendance at commercial activities or factory visits in relation to business needs, when the method of fee payment, number of participants, class of accommodations, and the time period for the event or visit have been specified in advance.
- 6.4 Attendance at folk festivals that are open to and invite the attendance of the general public.
- 6.5 Rewards, emergency assistance, condolence payments, or honorariums from the management.
- 6.6 Money, property, or other benefits offered to or accepted from a person other than relatives or friends; or gifts of property given by another party to the majority of the personnel of the Company should be in compliance with general social norm or normal custom.
- 6.7 Property received due to engagement, marriage, maternity, relocation, assumption of a position, promotion or transfer, retirement, resignation, or severance, or the injury, illness, or death of the recipient or the recipient's spouse or lineal relative should be in compliance with general social norm or normal custom.
- 6.8 Other conduct that complies with the rules of the Company.

7. Procedures for handling the acceptance of improper benefits

- 7.1 Except under any of the circumstances set forth in the preceding article, when any personnel of the Company are provided with or are promised, either directly or indirectly, any benefits as specified in Article 4 by a third party, the matter shall be handled in accordance with the following procedures:
 - 7.1.1 If there is no relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall report to their immediate

supervisor within 3 days from the acceptance of the benefit, and the Responsible Unit shall be notified if necessary.

7.1.2 If a relationship of interest does exist between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall return or refuse the benefit, and shall report to his or her immediate supervisor and notify the Responsible Unit. If the benefit cannot be returned, then within 3 days from the acceptance of the benefit, the personnel shall refer the matter to the Responsible Unit for handling.

7.2 "A relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel," as described in the preceding paragraph, refers to one of the following circumstances:

7.2.1 When the two parties have commercial dealings, a relationship of direction and supervision, or subsidiaries (or rewards) for expenses.

7.2.2 When a contracting, trading, or other contractual relationship is being sought, is in progress, or has been established.

7.2.3 Other circumstances in which a decision regarding the Company's business, or the execution or non-execution of business, will result in a beneficial or adverse impact.

7.3 The Responsible Unit of the Company shall make a proposal, based on the nature and value of the benefit under Article 7.1, that it be returned, accepted on payment, given to the public, donated to charity, or handled in another appropriate manner. The proposal shall be implemented after being reported and approved by the General Manager

8. Prohibition of and handling procedure for facilitating payments

8.1 The Company shall neither provide nor promise any facilitating payment.

8.2 If any personnel of the Company provides or promises a facilitating payment under threat or intimidation, they shall submit a report to their immediate supervisor stating the facts and shall notify the Responsible Unit.

8.3 Upon receiving notification described in the preceding Article 21.5, the Responsible Unit shall take immediate action and undertake a review of relevant matters in order to minimize the risk of recurrence. In a case involving alleged illegality, the Responsible unit shall also immediately report to the relevant judicial agency.

9. Procedures for handling political contributions

Political contributions by the Company shall be made in accordance with the laws and regulations governing political contributions in the country in which the recipient is located, and the Company's relevant internal operating procedures, and shall not be used to seek commercial benefits or trading advantages, and a notification should be given to the Responsible Unit of the Company.

10. Procedures for handling charitable donations or sponsorship

Charitable donations or sponsorships by the Company shall be provided in accordance with related laws and regulations the Company's internal operating procedures, and shall not become bribery in disguise, and a notification should be given to the Responsible Unit of the Company

11. Recusal

11.1 Where the spouse, a blood relative within the second degree of kinship of a director, or any

company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.

11.2 If in the course of conducting company business, any personnel of the Company discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the Responsible Unit, and the immediate supervisor shall provide the personnel with proper instructions.

11.3 No personnel of the Company may use company resources on commercial activities other than those of the Company, nor may any personnel's job performance be affected by his or her involvement in the commercial activities other than those of the Company.

12. Special unit in charge of confidentiality regime and its responsibilities

12.1 The Company shall set up a special unit charged with formulating and implementing procedures for managing, preserving, and maintaining the confidentiality of the Company's trade secrets, trademarks, patents, works and other intellectual properties and it shall also conduct periodical reviews on the results of implementation to ensure the sustained effectiveness of the confidentiality

12.2 All personnel of the Company shall faithfully follow the operational directions pertaining to intellectual properties as mentioned in the preceding paragraph and may not disclose to any other party any trade secrets, trademarks, patents, works, and other intellectual properties of the Company of which they have learned, nor may they inquire about or collect any trade secrets, trademarks, patents, and other intellectual properties of the Company unrelated to their individual duties.

13. Prohibition against unfair competition

The Company shall follow the Fair Trade Act and applicable competition laws and regulations when engaging in business activities, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.

14. Prevention of damage caused by products or services to stakeholders

14.1 The Company shall collect and understand the applicable laws and regulations and international standards governing its products and services which it shall observe and gather and publish all guidelines to cause personnel of the Company to ensure the transparency of information about, and safety of, the products and services in the course of their research and development, procurement, manufacture, provision, or sale of products and services.

14.2 The Company shall adopt and publish on its website a policy on the protection of the rights and interests of consumers or other stakeholders to prevent its products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders.

14.3 Where there are media reports, or sufficient facts to determine, that the Company's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, the Company shall, within the deadline, recall those products or suspend the services, verify the facts and present a review and improvement plan.

14.4 The Responsible Unit of the Company shall report the event as in the preceding paragraph, actions taken, and subsequent reviews and corrective measures taken to the Board of Directors.

15. Prohibition against insider trading and non-disclosure agreement

15.1 All personnel of the Company shall adhere to the provisions of the Securities and Exchange Act, and may not take advantage of undisclosed information of which they have learned to engage in insider trading. Personnel are also prohibited from divulging undisclosed information to any other party, in order to prevent other party from using such information to engage in insider trading.

15.2 Any organization or person outside of the Company that is involved in any merger, demerger, acquisition and share transfer, major memorandum of understanding, strategic alliance, other business partnership plan, or the signing of a major contract by the Company shall be required to sign a non-disclosure agreement in which they undertake not to disclose to any other party any trade secret or other material information of the Company acquired as a result, and that they may not use such information without the prior consent of the Company.

16. Compliance and announcement of policy of ethical management

The Company shall disclose its policy of ethical management in its internal rules, annual reports, on the company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.

17. Ethical management evaluation prior to development of commercial relationships

Before developing a commercial relationship with another party, such as an agent, supplier, customer, or other counterparty in commercial dealings, the Company shall evaluate the legality and ethical management policy of the party and ascertain whether the party has a record of involvement in unethical conduct, in order to ensure that the party conducts business in a fair and transparent manner and will not request, offer, or take bribes.

18. Statement of ethical management policy to counterparties in commercial dealings

Any personnel of the Company, when engaging in commercial activities, shall make a statement to the trading counterparty about the Company's ethical management policy and related rules, and shall clearly refuse to provide, promise, request, or accept, directly or indirectly, any improper benefit in whatever form or name.

19. Avoidance of commercial dealings with unethical operators

All personnel of the Company shall avoid business transactions with an agent, supplier, customer, or other counterparty in commercial interactions that is involved in unethical conduct. When the counterparty or partner in cooperation is found to have engaged in unethical conduct, the personnel shall immediately cease dealing with the counterparty and blacklist it for any further business interaction in order to effectively implement the Company's ethical management policy.

20. Stipulation of terms of ethical management in contracts

Before entering into a contract with another party, the Company shall gain a thorough knowledge of the status of the other party's ethical management, and shall make observance of the ethical

management policy of the Company part of the terms and conditions of the contract.

21. Handling of unethical conduct by personnel of the Company

- 21.1 As an incentive to insiders and outsiders for informing of unethical or unseemly conduct, the Company will grant a reward depending on the seriousness of the circumstance concerned. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office according to related laws and regulations or the Company's personnel regulations, if the circumstance concerned is material.
- 21.2 The Company shall establish and publicly announce an independent mailbox and hotline on its website, for insiders and outsiders of the Company to submit reports.
- 21.3 A whistleblower shall at least furnish the following information:
- 21.3.1 The whistleblower's name and I.D. number, and an address, telephone number and e-mail address where it can be reached.
- 21.3.2 The informed party's name or other information sufficient to distinguish its identifying features.
- 21.3.3 Specific facts available for investigation.
- 21.4 Personnel of the Company handling whistle-blowing matters shall keep the whistleblowers' identity and contents of information confidential. The Company also undertakes to protect the whistleblowers from improper treatment due to their whistleblowing.
- 21.5 The Responsible Unit of the Company shall observe the following procedure in handling whistleblowing matters:
- 21.5.1 The Responsible Unit of the Company being reported to in the preceding subparagraph shall carefully study the content of the report and consider the degree of impact. The report shall be submitted to the Audit Committee if involving a director or a senior management including general manager and vice-president.
- 21.5.2 After the report data are received or the report records are prepared, regardless of a confirmed or non-confirmed case, the Responsible Unit of the Company shall reply to the whistle-blower and shall provide specific reasons for the non-confirmed case.
- 21.5.3 After a case is reported and confirmed, related facts shall be verified immediately, and when necessary, related units, external lawyers or experts are invited for assistance after the personal data of the whistle-blower are concealed.
- 21.5.4 If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or the Company's policy and regulations of ethical management, the Company shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, the Company will report to the competent authority, refer said person to judicial authority for investigation institute legal proceedings and seek damages to safeguard its reputation and its rights and interests. If no specific evidence is found after the investigation, the case will be closed immediately and filed for reference.
- 21.5.5 If the Responsible Unit of the Company finds specific violations that cause damages to the Company, the Responsible Unit shall prepare a report in writing or notify independent directors via email.
- 21.5.6 After completing the necessary investigation procedure, the Responsible Unit of the

Company shall issue an investigation report according to the verified facts and report to units of relevant levels, and the related adjudication units are listed in the table below and a decision shall be made according to the work rules of the Company and reported to the Board of Directors.

The content of investigation report should include reported matters, their handling methods, follow-up comments and improvement measures.

Violating Unit	Adjudication Unit
Staff	Chairperson
Managers	Audit Committee
Directors (including Chairperson)	Audit Committee
Independent Director	Audit Committee and Board of Directors

21.5.7 Documentation of case acceptance, investigation processes and investigation results shall be retained for five years and may be retained electronically. In the event of a suit in respect of the wishtelbloning case before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.

21.5.8 With respect to a confirmed information and due to the imperfection of the internal control system, the Company shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.

22. Actions upon event of unethical conduct by others towards the Company

If any personnel of the Company discovers that another party has engaged in unethical conduct towards the Company, and such unethical conduct involves alleged illegality, the Company shall report the relevant facts to the judicial and prosecutorial authorities; where a public service agency or public official is involved; the Company shall additionally notify the governmental anti-corruption agency.

23. Internal awareness sessions and establishment of a system of rewards, penalties, and complaints, and related disciplinary measures

23.1 The Responsible Unit of the Company shall organize internal awareness sessions irregularly and arrange for the chairperson, general manager, or senior management to communicate the importance of ethics to its directors, employees, and mandataries.

23.2 If any personnel of the Company seriously violate ethical conduct, the Company shall dismiss the personnel from his or her position or terminate his or her employment in accordance with applicable laws and regulations or the personnel policy and procedures of the Company.

24. Enforcement

24.1 These Procedures and Guidelines, and any amendment hereto, shall be implemented after adoption by resolution of the Board of Directors, and shall be reported to the shareholders' meeting.

24.2 When these Procedures and Guidelines are submitted to the Board of Directors for discussion, each independent director's opinions shall be taken into full consideration, and their objections and reservations expressed shall be recorded in the minutes of the Board of Directors meeting. An independent director that is unable to attend a board meeting in person to express objection or reservation shall provide a written opinion before the board meeting unless there is a

legitimate reason to do otherwise, and the opinion shall be recorded in the minutes of the Board of Directors meeting.

24.3

Version	Publication (Revision) Date	Effective Date	Reason
01	2020/10/30	2020/10/30	Establishment.

VIII. Appendices

Appendix 1

TSH Biopharm Corporation, Ltd. Code of Ethical Conduct

1. Purpose of and basis for adaptation

This Code is formulated for the purpose of guiding the behavior of directors and managers of the Company to comply with ethical standards and enabling the stakeholders of the Company to better understand and follow the corporation's ethical standards.

2. Applicable subjects

All directors and managers of the Company (including General Manager, Vice President, Chief Financial and Accounting Officer, Associate Vice President or its equivalents, and others who have the right to manage affairs and sign documents on behalf of the Company) should be bound by the Code.

3. Prevention of conflict of interests

The directors and managers of the Company should deal with official business in an objective and efficient manner and shall not intend to obtain improper benefits for themselves, their spouses or second-degree relatives through the convenience of holding their position. If there is a loan endorsed and guaranteed for the Company and the aforementioned personnel or their affiliated company, a material asset transaction, or a purchase/sale transaction, all shall be handled in accordance with the Company and other parties' "Procedure for, "Endorsement and Guarantee", "Procedure for Acquisition or Disposal of Assets" and related procurement and supply operation regulations.

4. Minimizing incentives to pursue personal gain

The directors and managers of the Company should avoid the opportunity of obtaining self-interest through the use of the Company's property or information or through the convenience of their position, and should avoid competing with the Company in any business within the business scope of the Company regardless of doing so either for themselves or for others. When the company has an opportunity of making a profit, the directors and managers of the Company have the responsibility to maintain or increase the proper and legitimate interests that the company can obtain.

5. Duty of confidentiality

The directors and managers of the Company shall bear the obligation of confidentiality for the company itself or its suppliers and customers in regard to all undisclosed information that may be used by competitors or the leaked information may cause damage to the Company or the suppliers and customers except when authorized or required by law to disclose such information.

6. Fair trade

The directors and managers of the Company shall treat all customers, suppliers, competitors, and employees fairly, and shall not obtain improper benefits through manipulation, nondisclosure, or misuse of the information they have learned based on their positions, or through misrepresentation on important matters, or through other unfair trading methods.

7. Safeguarding and appropriate use of company assets

All directors and managers have the responsibility to safeguard the Company's assets, ensure that the Company's assets are used effectively and legally for official business purposes, and avoid the assets from theft, negligence or waste that affects the Company's profitability.

8. Compliance of laws and regulations

All directors and managers Company's shall comply with the Securities and Exchange Act and other relevant laws and regulations.

9. Whistle-blowing procedure

The Company should enhance the promotion of this Code internally. Any employee suspects or discovers violation of the laws and regulations or this Code, they shall report to the responsible unit of the Company with their real name in writing, and the identity of the whistleblower should be kept confidential, and the responsible unit of the Company shall do its very best to carry out the duty of protecting the whistleblower.

10. Disciplinary measures

10. Disciplinary measures

10.1 Any director of the Company violating this Code shall be prosecuted according to the civil code, criminal code and related laws and regulations; and any manager of the Company violating this Code shall be punished appropriately according to the work rules.

10.2 After the disciplinary measure for violation of this Code in the preceding paragraph is confirmed, the date of the violation by the violator, reasons for the violation, the provisions of the code violated and the discipline actions taken shall be disclosed on Market Observation Post System (MOPS) immediately, and any damage to the Company

11. Grievance system

When a director of the Company violates this Code, the director may request the Audit Committee for an investigation. If the director is a member of the Audit Committee, the director may request other independent directors for the investigation. When a manager of the Company violates this Code and is punished, the manager may file an appeal to the Audit Committee.

12. Procedure for exemption

If a director or manager of the Company needs an exemption from this Code, it shall be resolved and passed by the Board of Directors, and information such as the date of exemption approved by the Board of Directors, objections or reservations of independent directors, and the period of, reasons for and principles behind the application of the exemption should be disclosed without delay on the MOPS.

13. Method of disclosure

This Code as well as its amendments shall be disclosed in the Company's website, annual report, public prospectus, and Market Observation Post System.

14. Supplementary regulation

Any matter not covered in this Code shall be handled in accordance with the related laws and

regulations and the Articles of Incorporation.

15. Promulgation and enforcement

This Code as well as its amendment shall be implemented after the resolution by the Board of Directors, and shall be submitted to the shareholders' meeting.

16. Versions

Version	Publication (Revision) Date	Effective Date	Reason
01	2012/6/12	2012/6/12	Establishment
02	2015/3/23	2015/3/23	Add related regulations according to the Personal Data Protection Act.
03	2017/05/02	2017/06/15	Set up the Audit Committee, and delete Supervisors in this Code.
04	2021/03/10	2021/03/10	Revise the text according to Letter No. Securities-TPEX-Supervision 10900582661 of the Taipei Exchange..

Appendix 2

TSH Biopharm Corporation Ltd. Articles of Incorporation

Chapter 1. General Provisions

Article 1 The Company is incorporated under the Company Act pertaining to companies limited by shares by the name of 東生華製藥股份有限公司 in Chinese language and TSH BIOPHARM CORPORATION LIMITED in English language.

Article 2 The business scope of the Company covers the following:

1. C199990 Manufacture of other food products not elsewhere classified.
2. C802060 Veterinary drug manufacturing.
3. F102170 Wholesale of Food and grocery.
4. F108021 Wholesale of western pharmaceutical.
5. F108031 Wholesale of medical device.
6. F208021 Retail sale of western pharmaceutical.
7. F208031 Retail sale of medical device.
8. F401010 International trade.
9. F601010 Intellectual property.
10. IC01010 Pharmaceutical inspection service.
11. IG01010 Biotechnology service.
12. ZZ99999 All business items that are not prohibited or restricted by laws and regulations, except for those subject to special approval.

Article 3 The Company has a head office in Taipei City, and if it is necessary to set up a branch or business office, the branch or business office can be established in and out of this country after the resolution made by the Board of Directors.

Article 4 The Company may provide external guarantees among relevant peers with regard to the business. The total re-investment may exceed 40% of the paid-in capital.

Article 5 Public announcements are made in accordance with Article 28 of the Company Act.

Chapter 2. Shares

Article 6 The authorized capital of the Company is NT\$ 1,000,000,000, divided into 100,000,000 shares at a par value of NT\$ 10 per share. The shares may be issued on an installment basis pursuant to the resolution of the Board of Directors. An amount of NT\$100,000,000 from the above authorized capital is reserved and divided into 10,000,000 shares which are reserved for the issuance of employee stock options.

Article 6-1 The employees entitled to receive shares, which bought back by the Company, or share subscription warrants, or restricted stock for employees, or reserved for subscription by employees when the Company issues new shares, including the employees of the parent and subordinate companies meeting certain requirements which will be determined by the Board of Directors.

Article 7 The shares issued by the Company may be exempted from printing any share certificate, but shall be registered with the Centralized Securities Depository Enterprises.

Article 8 Transfer, inheritance, gift, pledge, loss, or other stock related services shall be handled in compliance with the "Regulation "Governing the Administration of Stock Affairs by Public Companies" and other relevant laws and regulations.

Article 9 Change of name and transfer of stocks shall be closed in 60 days prior to the annual general shareholders' meeting, or in 30 days prior to an extraordinary shareholders' meeting or in 5 days prior to the record date for dividends, bonus or other benefits decided by the Company.

Chapter 3. Shareholders' Meeting

Article 10 The general shareholders' meeting shall be held once a year, and convened within six months after the end of each fiscal year. When necessary, an extraordinary shareholders' meeting may be convened according to relevant laws.

Article 11 When convening a general shareholders' meeting, each shareholder shall be notified in writing no later than 30 days prior to the meeting. When convening an extraordinary shareholders' meeting, each shareholder shall be notified in writing no later than 15 days prior to the meeting. The reason of convening the meeting shall be stated in the announcement or notice.

Article 12 Each shareholder of the Company shall be entitled to a voting right per share, unless otherwise specified in Article 179 of the Company Act.

- Article 13 When a shareholder cannot attend the shareholders' meeting, it may obtain a power of attorney printed and issued by the Company to assign a proxy to attend the meeting pursuant to Article 177 of the Company Act and the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies".
- Article 14 Shareholders may take action on a matter at a shareholders' meeting if a quorum of 50% or more of the outstanding shares of the company exists unless relevant laws stipulate otherwise. If a quorum exists, action on a matter is approved if more than 50% votes being represented at a meeting favor the action.
- Article 15 Resolutions of the shareholders' meeting shall be recorded in the minutes of the meeting, which shall be signed or stamped by the Chairperson. In the meeting minutes, the date (year, month, and day), venue, Chairman's name, resolution methods, main agenda items, and results of the proceedings shall be recorded and preserved permanently during the existence of the Company.
The attendance book of attending shareholders and the powers of attorney to assign a proxy to attend the meeting shall be preserved for at least one year. However, where litigation is initiated by shareholders pursuant to Article 189 of the Company Act, documents shall be preserved till the termination of the litigation.
- Article 16 When the public offering of the company's stocks is cancelled, it shall be done only after the resolution of the shareholders' meeting, and this provision shall not be changed during the period of applying for trading in the emerging stock market, the over-the-counter market, and going public.

Chapter 4. Directors and Audit Committee

- Article 17 The Company shall have 5 to 7 directors and adopt a candidate nomination system to elect the directors from a candidate list in the shareholders' meeting. The term of office shall be 3 years, eligible for re-election. When the term expires prior to election, the term of office may be extended until the newly elected director takes office. The total number of shares of the Company's registered stocks held by all directors shall be in accordance with the standards prescribed in the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratio at Public Companies" promulgated by the Competent Authority.
The election of directors of the Company shall adopt the single-name cumulative voting system. If it is necessary to amend the election system, the amendments to the election system shall be listed in a comparison table with the reason of convening the shareholders' meeting in addition to handling in accordance with the provision of Article 172, Paragraph 5 of the Company Act.
- Article 18 The Company may have independent directors within the aforementioned number of directors, the total number of directors shall not be less than three and shall be no less than one-fifth of the total number of directors. The professional qualifications, shareholdings, concurrent appointment restrictions, nomination and election methods, and other compliance matters of the independent directors shall be handled in accordance with relevant regulations of the Securities Authority.
- Article 19 When the vacancy of directors reaches one third, the Board of Directors shall convene a shareholders' meeting for a by-election according to relevant law, and the term of office shall be limited to the time to make up the term of the original appointment.
- Article 20 The Board of Directors Meetings shall be held at least once a quarter.
The Board of Directors shall state the reasons of convening the meeting, and each director shall be notified 7 days prior to the meeting, but the meeting can be convened at any time when there is an emergency.
The convening of the meeting can be notified in writing, by fax or by email.
- Article 20-1 The Board of Directors may set up an Audit Committee, a Remuneration Committee or other functional committees for the needs of business operations. The Audit Committee shall be composed of all independent directors, one of whom is the convener, and at least one shall have accounting or financial expertise.
The duties, organizational charter, exercise of powers and other matters complying with the Audit Committee in the preceding paragraph shall be handled in accordance with the related regulations of the authorities in charge of securities and the Company.
- Article 21 The Board of Directors is formed by the directors, and one of them is elected among them to serve as the Chairperson with the presence of more than two-thirds of the directors and the consent of more than half of the directors, and the same applies to the election of the Vice Chairperson.
- Article 22 When a Chairperson is on leave or cannot exercise his/her powers for any reason, his/her proxy shall be handled in accordance with Article 208 of the Company Act.
- Article 23 Directors shall attend the board meeting in person, and when a director asks a proxy to attend, the proxy shall be handled in accordance with Article 205 of the Company Act. If the Board of Directors meeting is held by video conference, any director who participates in the video conference is deemed to be attending the meeting in person.
- Article 24 All business policies and important matters of the Company shall be implemented by the resolution of the Board of Directors. Resolutions of the Board of Directors require the attendance of a majority of Board of Directors and approved by a majority of the directors in attendance, unless otherwise specified in the Company Act.
- Article 25 The Company shall arrange liability insurance for the directors to lower the risk of litigation initiated by

shareholders or other related parties due to the execution of their duties in accordance with relevant laws.

Article 26 The Board of Directors shall be authorized to determine the compensation for execution of duties by directors based on their level of participation and the value of their contributions to company operations regardless of profits and losses incurred by the Company with reference to prevailing industry standards. In case of profits, rewards shall be granted pursuant to the regulations set forth in Article 29.

Chapter 5. Managers

Article 27 The Company has a number of managers whose appointment, dismissal and remuneration shall be handled in accordance with Article 29 of the Company Act.

Chapter 6. Accounting

Article 28 The Company shall handle the final accounts at the end of each fiscal year, and the fiscal year commences from January 1 to December 31. The Board of Directors shall prepare the following documents after the end of the fiscal year and submit them to the shareholders' meeting for ratification.

1. Business reports.
2. Financial statements.
3. Profit distribution proposal or loss make-up proposal.

Article 29 When the Company makes a profit for the year, the Company shall allocate 2% to 8% of annual profits as employee compensation and no more than 2% of the annual profits as directors' remuneration. Employee compensation may be distributed in stock or cash according to the resolution of the Board of Directors, and the recipients may include employees of parent and subordinate companies that meet certain conditions. Director remuneration can only be paid in cash. The distribution of employee compensation and directors' remuneration shall be submitted and reported to the shareholders' meeting.

However, when the Company still has accumulated losses, the profit shall be reserved to offset the loss, and then the employee compensation and the directors' remuneration are allocated according to the proportion given in the preceding paragraph.

Article 29-1 When the Company has a surplus in the annual final accounts, the Company shall pay taxes according to relevant laws and compensate the accumulated loss before allocating 10% of the remaining surplus as legal reserve, unless the legal reserve has reached the total paid-in capital of the Company, and then set aside the special reserve according to the requirements under laws and regulations. Any further remaining surplus plus unappropriated earnings shall be distributed in accordance with the proposal submitted by the Board of Directors for approval at a shareholders' meeting.

Article 30 The procedure of distributing dividends shall be handled by the end of the year, and the Board of Directors shall consider the Company's profitability capital and financial structure, future business operation demands, accumulated surplus and legal reserve, market competition conditions and other factors to propose the earnings distribution for approval in the shareholders' meeting.

Article 31 The finance, business, and operation are taken into considerations to propose the earning distribution based on the principle of no less than 50% of the distributable earnings of the current year. In order to strengthen the financial structure of the Company and safeguard the rights and interests of investors, the Company adopts a dividend balance policy and pays cash dividends at least 50% of the dividends distributed in the current year.

Chapter 7. Supplementary Provisions

Article 32 Matters not covered in these Articles of Incorporation shall be handled in accordance with the Company Act and other relevant laws and regulations.

Article 33 These Articles of Association were established on June 25, 2010.

The first amendment was made on December 21, 2010.

The second amendment was made on October 6, 2011.

The third amendment was made on June 19, 2013.

The fourth amendment was made on June 23, 2015.

The fifth amendment was made on June 23, 2016.

The sixth amendment was made on June 15, 2017.

The seventh amendment was made on June 15, 2018.

The eighth amendment was made on May 29, 2020.

Appendix 3

TSH Biopharm Corporation, Ltd. **Rules of Procedure for Shareholders' Meeting**

1. The shareholders' meeting of the Company shall be handled in accordance with these rules and procedures, unless otherwise specified by laws and regulations.
2. The Company shall furnish the attending shareholders with an attendance book to sign or attending shareholders may hand in a sign-in card in place of signing-in. The number of attending shares shall be calculated according to the shares indicated by the attendance book and the submitted sign-in cards plus the number of shares whose voting rights are exercised in an electronic form.
3. Attendance and vote at shareholders' meeting shall be calculated based on numbers of shares.
4. The shareholders' meeting shall be at the premises of the Company or a place easily accessible to shareholders to attend and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of independent directors with respect to the place and time of the meeting.
5. If the shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairperson of the board. When the Chairperson is on a leave or for any reason unable to exercise duties, the Chairperson may appoint a director to act as chair, and when the Chairperson has not made such a designation, the directors may select one among themselves to serve as chair. If the shareholders' meeting is convened by a person with the convening rights other than the Board of Directors, the meeting will be chaired by such convener.
6. The Company may assign the appointed lawyers, accountants or related personnel to attend the shareholders' meeting. The conference staff handling administrative affairs of the shareholders' meeting shall wear identification cards or armbands.
7. The whole course of the shareholders' meeting shall be recorded or videotaped and kept for at least one year.
8. The Chair of the shareholders' meeting shall call the meeting to order at the appointed meeting time. However, if the number of shares held by the attending shareholders is below half of the total number of issued shares, the Chair may announce a postponement. The postponement shall be announced twice only as limited and for a combined total of no more than 1 hour. If the shares held by the attending shareholders are still below one-third of the total number of issued shares, with two postponements being announced, the Chair may announce that the meeting shall be canceled. If the quorum is not met after two postponements as mentioned in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the Chair may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.
9. If a shareholders' meeting (including extraordinary motions and amendments to the original proposal set out in the agenda) convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. votes shall be cast on each separate proposal in the agenda. The meeting shall proceed in the order set by the agenda, which shall not be changed without a resolution of the shareholders' meeting. If the shareholders' meeting is convened by a convener with the convening rights other than the Board of Directors, the preceding paragraph may apply. The Chairperson of the shareholders' meeting may not declare the meeting adjourned prior to the completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting. After the meeting is adjourned, shareholders are not allowed to elect another Chair at the original location or find another venue to continue the meeting.
10. Before speaking, an attending shareholder must specify on the speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak shall be set by the Chair. An attending shareholder who submits a speaker's slip but does not actually speak shall be deemed not to speak at the meeting. Those who have only made the speaker's slip but did not speak are deemed to have not speaking. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. While an attending shareholder is taking the floor, other shareholders shall not speak or interrupt unless agreed by the Chair and the speaking shareholder. The Chair shall stop any violation.
11. Each shareholder shall not speak more than twice on the same proposal, and a single speech shall not exceed 5

minutes unless agreed by the Chair. If the shareholder's speech violates the Rules or exceeds the scope of the meeting agenda, the Chair may terminate the speech.

12. When a juristic person is appointed to attend the meeting as proxy, it may designate only one person to represent it in the meeting. When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.
13. After the speech of an attending shareholder, the Chair may respond in person or direct relevant personnel to respond.
14. When the Chair considers that the discussion on a proposal has reached the point where it can be voted, the Chair shall announce the discussion closed, call for a vote and arrange sufficient time for voting.
15. The vote scrutineer and vote counter for a motion are appointed by the Chair, but the scrutineer shall have the identity of a shareholder. Vote counting for a voting or election motion shall be conducted in public at the place of the shareholders' meeting, and the voting result including the statistics of voting rights shall be announced and recorded immediately after vote counting has been completed.
16. During the meeting, the Chair may announce a break at his/her discretion.
17. The voting of a motion shall be passed by the consent of a majority of the voting rights of the attending shareholders, unless otherwise specified by the Company Act and the Articles of Incorporation. When voting, the Chair or its designated person shall first announce the total number of voting rights represented by the attending shareholders, and then the shareholders vote on a case-by-case basis.
18. When there is an amendment or an alternative to the same motion, the Chair shall present the amended or alternative motion together with the original motion and decide the order in which they will be put to vote. When any one among them has been passed, the other motions are deemed to be rejected and there is no need to vote again.
19. The Chair shall command the pickets (or security guards) to help maintain order in the venue. The pickets (or security guards) shall wear an identification card or "the Picket" armband when maintaining order in the venue.
20. These Rules shall come into force after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.
21. These Rules were established on September 1, 2010.
The first amendment was made on May 29, 2020

Shareholding of Directors

Book closure date: March 30, 2021

Position	Name	Shares Registered in Shareholder Register
Chairperson	TTY Biopharm Co., Ltd. Representative: Chuan Lin	21,687,177
Directors	TTY Biopharm Co., Ltd. Representative: Carl Hsiao Representative: Chao I Chiang Representative: Kang Chi Chou	
Independent Director	Chih Li Wang	30
Independent Director	Yi Min Wang	0
Independent Director	Rwei-Syun Chen	0

Note:

1. As of March 30, 2021, the total issued common shares of the Company is 38,398,140 shares.
2. The legal minimum number of shares to be held by all directors is 3,600,000 shares, and the number of shares registered in the shareholder register is 21,687,207 shares.