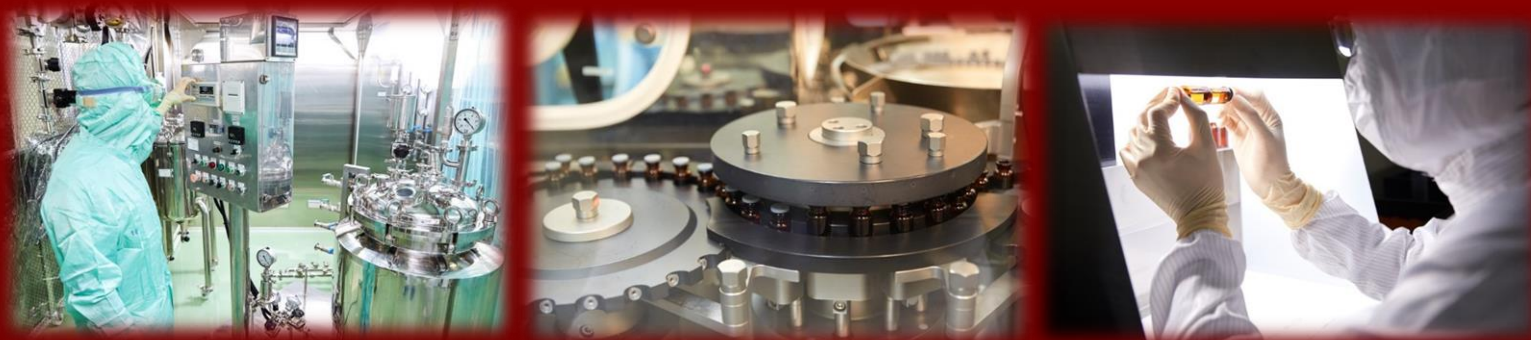


Handbook for the year 2022

Annual General Meeting of Shareholders



Meeting Date: May 26, 2022

Meeting Venue: Building A, 2F., No. 19-10, Sanchong Rd., Nangang Dist., Taipei City ,Taiwan
(International Convention Center of Nangang Software Park)

THIS IS A TRANSLATION OF THE HANDBOOK FOR THE 2022 ANNUAL SHAREHOLDERS' MEETING (THE "AGENDA") OF TTY BIOPHARM COMPANY LIMITED (THE "COMPANY"). THIS TRANSLATION IS INTENDED FOR REFERENCE ONLY AND NOTHING ELSE. THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION. THE CHINESE TEXT OF THE HANDBOOK SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.

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I. Meeting Procedure

Time: May 26, 2022 (Thursday) 9:00 AM

Location: Building A, 2F., No. 19-10, Sanchong Rd., Nangang Dist., Taipei City, Taiwan

(International Convention Center of Nangang Software Park)

Meeting type: Physical Meeting

Meeting procedures:

- I. Calling to the Meeting Order (announcement of attending shares)
- II. Chairman Address
- III. Report Items
 1. Year 2021 Business Report
 2. Audit Committee's Review Report on the year 2021 Financial Statements
 3. Report on Employee and Directors Remuneration in year 2021
- IV. Ratification Items
 1. Year 2021 Business Report and Financial Statements
 2. Year 2021 Profit Distribution
- V. Discussion Items
 1. The Amendment of "Articles of Incorporation"
 2. The Amendment of "Procedures for Acquisition or Disposal of Assets"
- VI. Extemporaneous Motions
- VII. Adjournment

II. Report Items

Item One:

Year 2021 Business Report

Description:

Please refer to Attachment 1 (page 5-9) for detailed Business Reports.

Item Two:

Audit Committee's Review Report on the year 2021 Financial Statements

Description:

The Financial Statement, Business Report, and Distribution of 2021 Profits Table have been reviewed by Audit Committee. Please refer to Attachment 2 (page 26) for Audit Committee's Review Report.

Item Three:

Report on Employee and Directors Remuneration in year 2021

Description:

The company earned profits (profit before tax before remuneration of employee and of directors) as NT\$ 1,120,364,006 in 2021. Pursuant to the regulations set forth in Article 21 of the Articles of Incorporation, NT\$ 23,195,000, 2.0703% and NT\$ 14,950,000, 1.334% of these earnings shall be allocated as Employee and Directors remuneration, respectively and the total amount will be distributed in cash.

III. Ratification Items

Item One: (Proposed by the Board of Directors.)

Year 2021 Business Report and Financial Statements

Description:

1. The Company's year 2021 Business Report and Financial Statements have been approved by the Board of Directors and reviewed by Audit Committee.
2. The Company's year 2021 Financial Statements have been audited by KPMG Taiwan with "Unqualified Opinion"
3. Please refer to the Attachment 1 (page 5-25) for year 2021 Business Report and Financial Statements.

Resolution:

Item Two: (Proposed by the Board of Directors.)

Year 2021 Profit Distribution

Description:

1. Allocation of cash dividend proposed by the Board is total of NT\$ 745,949,877 or NT\$ 3.0 per share based on the number of shares recorded in the Register of Shareholders on the ex-dividend date. All cash dividends are rounded down to the dollar after discount any cents. The remaining amount will be treated as the other revenue of the Company. Upon the approval of the Annual Meeting of Shareholders, it is proposed that the Board of Directors shall be authorized to resolve the ex-dividend date, payment date and other relevant issues.
2. Please refer to the Attachment 3 (page 27) for year 2021 Profits Distribution Table.

Resolution:

IV. Discussion Items

Item One: (Proposed by the Board of Directors.)

The Amendment of “Articles of Incorporation”

Description:

1. The “Articles of Incorporation” is proposed to be amended in accordance with the amendment of applicable laws and actual operational needs.
2. Please refer to the Attachment 4 (page 28-33) for Amendment Comparison Table of “Articles of Incorporation”.

Resolution:

Item Two: (Proposed by the Board of Directors.)

The Amendment of “Procedures for Acquisition or Disposal of Assets”

Description:

1. The “Procedures for Acquisition or Disposal of Assets” is proposed to be amended in accordance with the amendment of “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” released by Financial Supervisory Commission on January 28, 2022 with issue number of 1110380465.
2. Please refer to the Attachment 5 (page 34-45) for Amendment Comparison Table of “Procedures for Acquisition or Disposal of Assets”.

Resolution:

V. Extemporary Motions

Adjournment

VI. Attachment

Attachment 1

TTY BIOPHARM COMPANY LIMITED

Business Report

I. The Company's Business Result for year 2021

(1) Business Plan Implementation Result

The Company's consolidated net business revenue for year 2021 reached NT\$4,535,610 thousands, which represents an increase by NT\$313,774 thousands (7.43%) compared to that of NT \$4,221,836 thousands for year 2020. The increase was mainly caused by the increasing volume of influenza vaccines and manufacturing of COVID-19 vaccines for Medigen Vaccine Biologics Corp. Net profit attributed to the parent company for year 2021 totaled NT\$831,894 thousands which represented a decline by NT\$92,284 thousands (-9.99%) compared to that of NT\$924,178 thousands in year 2020. The decrease was mainly caused by the recognition of penalty of NT 220,000 thousands from Fair Trade Commission. The Company has filed an administrative relief to revoke of this administrative penalty with acceptance by the Court.

(2) Budget Implementation Status

The Company's net business revenue for year 2021 is NT\$ 4,038,636 thousands, Pre-tax net profit is NT\$ 1,082,219 thousands, achieving 99.92% of the annual budget target.

(3) Income & Expenditure and Profitability Analysis

Item		Year	2021	2020
Income & Expenditure	Interest Income (in thousands)		442	1,126
	Interest Expenditure (in thousands)		17,288	17,358
Profitability Analysis	Return on Assets %		9.91	10.95
	Return on Equity %		15.67	16.77
	Net Profit Margin %		20.60	24.84
	Earnings Per Share (NTD)		3.35	3.72

(4) Research & Development Status

TTY Biopharm has accumulated professional capabilities in the development and manufacture of drugs and provides comprehensive solutions in the field of drug delivery systems. Dosage development includes development of formulations, analysis methodology and processes, animal testing, functional formulation, GMP manufacturing, and CMC preparation. We are firmly committed to our core philosophy to benefit more patients and maximizing shareholder value.

The Company is actively engaged in the research and development of long-acting microsphere products for the treatment of Acromegaly and functional gastric, intestinal, and pancreatic endocrine tumors. Besides, overseas markets for two liposome products are developed in cooperation with leading international companies. The Company also actively implements relevant procedures for the other products to accelerate access to overseas markets.

Looking forward, the Company shall continue to utilize innovation as its core value, develop strategies based on broad and enhanced technology platform and think strategically to maintain the Company's competitiveness leading position for the purpose of maximizing respective stakeholders' values.

II. Overview of the year 2022 Business Plan

(1) Operation Policy

Ever since its incorporation, TTY has experienced several critical strategic leaps and successfully transformed itself into a "specialty drug and new drug development oriented innovative international biopharma company" for the purpose of creating excellence and everlasting business. In addition to the in-depth exploration of Taiwan market and major countries in Asia in order to obtain stable growth for domestic and offshore businesses, we also proceed to expand primary markets and emerging markets across the world. TTY explores its self-developed product revenue and brand efficiency through direct sales or collaboration with strategic partners. TTY is also closely connected with international expert social media groups and provides treatment solutions with the best drug economic values. TTY is dedicated to become an international biopharma company specialized in developing special formulation and biotechnological drugs, marketing and manufacturing. Additionally, TTY Biopharm also emphasizes its performance of corporate social responsibility and shall endeavor its efforts on environment, society and corporate governance to fulfill its sustainability responsibility.

(2) Quantity and Basis for Projected Sales

In year 2022, the Company expects to sell 333,100 thousands tablets of oral products and 6,250 thousands vials of injection. The Company's projected sales volume has been established in accordance with IQVIA statistic report and under considerations of possible changes in market supply and demand going forward, new product development speed as well as national health insurance policy.

(3) Critical Production and Marketing Policies

For the upcoming year, TTY shall continue its strategy and goal from the past, and shall utilize its previous achievements as a basis during its relentless dedication to self-challenge while approaching toward its next milestone:

With respect to “marketing strategy,” we shall continue to evaluate major countries in Asia, global primary markets, and emerging markets in addition to our in-depth exploration of Taiwan market. Exploration of TTY product revenue and brand efficiency will be conducted through management of direct sales and strategic partner collaboration. As for “Research & Development Strategy,” we shall continue to enhance the development of specialty pharma platform. In the meantime, we shall balance our needs for short/medium/long term R&D and be engaged in aggressive and cautious search for and assessment of licensing-in and development targets in a bid to enhance product assortments for respective business divisions in the Company. With respect to “Production Strategy,” we shall continue to establish and maintain drug manufacturing bases meeting international quality requirements, purchase manufacturing equipment, and enhance production capacity planning which comes with flexibility and economies of scale for the purpose of ensuring our cost and competitive advantages.

III. The Company’s Future Development Strategy

Corporate Vision: “Enhance Human Life Quality with Technology”

Corporate Mission: “Commitment to development and manufacturing of specialty pharma (patentable or high entry barrier), biological products, new medical technology and new drugs; Enhancement of TTY product assortments; Continuous enhancement of high market-entrance obstacle drug development platform as well as undisrupted extension of utilization efficiency over such platform,” “Specialized in the in-depth exploration and international development over manufacturing and R&D for anti-cancer, critical illness anti-infection and specialty pharma,” “Becoming one of the most innovative biopharma company in the world as well as the best collaborating partner for international biotechnology company in drug development and international market promotion.”

For future development, TTY shall, in addition to obtaining drugs approval to maximize efficiency on current R&D achievements, continue to explore international markets and aggressively look for international collaboration opportunities, and achieve its development goals through the following critical strategies:

- (1) Balanced evaluations and investment over early/middle/final phase drug development targets for the purpose of enhancing product assortments and competency (specialty pharma, biopharma, new drug) and sustaining this organization’s short/long term growth momentum and integration of value chain;
- (2) Collaboration with international cooperation partners in order to speed up development for specialty pharma and new drugs which come with unmet medical needs, high entry barrier (technology, manufacturing) and high drug economic values;
- (3) Development of specialty pharma through competitive in-house and joint developments and concentration in an ongoing basis on the implementation of “localized” business activities and

life cycle management “best suited for local community” in respective target markets;

- (4) Establishment, renewal and maintenance of drug manufacturing bases which comply with international quality standards and requirements for the purpose of creating stable operation patterns for Contract Development and Manufacturing Organization (CDMO) and adding values to TTY international business development;
- (5) Enhance production capacity and supply chain management and complete optimal integration and management encompassing from R&D to production through critical strategic events of M&As, strategic alliance and joint venture.
- (6) Continued implementation of production process improvement and enhancement of production capacity planning (capable of supplying international mass production demand) which comes with flexibility and economies of scale for the purpose of ensuring cost advantage and competency;
- (7) Rapid acquisition and cultivation of local talents with “entrepreneurial spirit” and continued enhancement over product development, operation, and marketing talents possessing balanced developments in the fields of “science, regulation, business management;”
- (8) Accelerate expansion of overseas business footprints, enhance agency sales target management over existing collaborating partners and continue to establish powerful and preeminent overseas self-operated teams for the purpose of generating the Company’s mid-and-long term revenue growth potential and diversified development for internationalization.

IV. Impacts from External Competition Environment, Regulatory Environment and Macro-Economic Environment

Under the policy of stricter controlling drug expenditure conducted by governments and the impact of regional industrial competition, China, India, and emerging countries have successively stepped into generic drug industry, which has led to a status of cut-throat price war. In addition, Taiwanese drug manufacturers lack economies of scale, coupled with challenging export sales resulted from increasing documents requirement with certain regulatory obstacles, has caused excessive domestic competition and staggers development of the drug market in Taiwan.

In addition, production costs have been constantly rising upon implementation of PIC/S in the wake of the enactment of increasingly strict manufacturing laws and regulations. Besides that, price negotiation from hospital and that for drugs covered by National Health Insurance have been adjusted numerous times, which has led to an imbalance between input and output and a further squeeze on revenues and profits of drug manufacturers.

2021 operation environment was full of challenges due to COVID-19 pandemic. Geopolitical instability and US-China trade war caused impact to global economy. Looking into the year of 2022, trend for global economy has not exposed a silver lining. Economic growth for major countries is struggling, testing again corporate’s capability to respond to contingency and effectiveness in cost control. TTY Biopharm shall continue to exploit and develop suitable drugs, explore channels, acquire drugs approval or obtain applications of new drugs to boost revenue

growth and expand corporate territory. At the meantime, the Company shall exert aggressive control over expenses for the purpose of maximizing shareholder's equities.

Chairman of the Board: Lin, Chuan

Responsible Management: Lin, Chuan

Responsible Accountant: Wang, Shu-Wen



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Independent Auditors' Report

To the Board of Directors
TTY Biopharm Company Limited:

Opinion

We have audited the accompanying financial statements of TTY Biopharm Company Limited (“the Company”), which comprise the balance sheets as of December 31, 2021 and 2020, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report of another auditor (please refer to the Other Matter paragraph), the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and 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 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. Based on our audits and the report of another auditor, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

We did not audit the financial statements of PharmaEngine, Inc. Those statements were audited by another auditor, whose report have been furnished to us, and our opinion, insofar as it relates to the amounts included for certain equity-accounted investees, are based solely on the report of another auditor. The amount of long-term investment in the investee company represented 10.27% and 10.25% of the related total assets as of December 31, 2021 and 2020, respectively, and the related investment gains represented 7.05% and 9.51% of the profit before tax for the years ended December 31, 2021 and 2020, respectively.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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 financial statements are stated as follows:



1. Occurrence of revenue from selling pharmaceuticals and chemical drugs

Please refer to Notes 4(p) of the financial statements for the accounting principles on revenue recognition. Revenues are recognized by net values of contract prices, less sales returns and allowances, after controls of the products are transferred to the customers.

Key audit matters:

The Company's sales is mainly from the selling of pharmaceuticals and chemical drugs. Because the customers are diversity and numerous, it takes longer time to verify sales transactions. Therefore, the occurrence in sales transactions is one of the important issue in performing our audit procedures.

Auditing procedures performed:

- Testing the effectiveness of the design and implementing the internal control system of sales and collection operation;
- Testing the samples of sales transaction before and after the balance sheet date to ensure the correctness of sales revenue;
- Inspecting the related documents to ensure the adequacy and reasonableness of revenue recognition.

2. Inventory valuation

Please refer to Notes 4(g), and 5 of the financial statements for the accounting principles on the inventory valuation, significant accounting assumptions and judgments, and major sources of estimation uncertainty.

Key audit matters:

The Company's primary operating items are manufacturing and processing various kinds of pharmaceuticals. The pharmaceutical industry in Taiwan is susceptible to the constant amendments of its law, resulting in large price fluctuation of pharmaceutical products, which will affect the carrying value of inventories to exceed its net value. Because of these uncertainties, the Company's revenue and income may be effected by the price fluctuations. If the assessment of the net realizable value of the inventory is not appropriate, it will lead to a material misstatement of the financial statements.

Auditing procedures performed:

- Overviewing the stock ageing list, analyzing the movement of stock ageing by period;
- Obtaining the certificate documents to verify the correctness of the stock's expiry date; and
- Sampling the replacement cost and market price of inventories, and recalculating the net realizable value by marketing expense rate, to ensure the reasonableness of net realizable value adopted by the Company.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

1. Identify and assess the risks of material misstatement of the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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



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

The engagement partners on the audit resulting in this independent auditors' report are Yilien Han and Shu-Ying Chang.

KPMG

Taipei, Taiwan (Republic of China)

March 9, 2022

Notes to Readers

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

The independent auditor's audit report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditor's audit report and financial statements, the Chinese version shall prevail.

(English Translation of Financial Statements Originally Issued in Chinese)
TTY BIOPHARM COMPANY LIMITED

Balance Sheets

December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollar)

		December 31, 2021		December 31, 2020				December 31, 2021		December 31, 2020	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets						Liabilities and Equity					
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a) and (q))	\$ 261,301	3	194,591	3	2100	Short-term borrowings (note 6(h) and (q))	\$ 1,650,000	19	1,650,000	19
1150	Notes receivable, net (note 6(b) and (q))	18,530	-	17,652	-	2130	Contract liabilities-current(note 6(n))	40,099	-	15,495	-
1170	Accounts receivable, net (note 6(b) and (q))	868,643	11	778,724	9	2150	Notes payable (note 6(q))	56,794	1	1,922	-
1180	Accounts receivable due from related parties, net (note 6(b), (q)and 7)	142,853	2	86,155	1	2170	Accounts payable (note 6(q))	115,777	1	150,648	2
1200	Other receivables, net (note 6(q) and 7)	20,134	-	91,464	1	2230	Current tax liabilities	143,290	2	94,049	1
130X	Inventories (note 6(c))	868,845	11	1,016,308	12	2200	Other payables (note 6(o) and (q))	442,289	5	414,126	5
1410	Prepayments	23,208	-	24,139	-	2300	Other current liabilities	19,523	-	20,256	-
1470	Other current assets (note 6(g))	<u>81</u>	-	<u>4,465</u>	-	2320	Long-term liabilities, current portion (note 6(i) and (q))	<u>400,000</u>	<u>5</u>	<u>-</u>	<u>-</u>
		<u>2,203,595</u>	<u>27</u>	<u>2,213,498</u>	<u>26</u>			<u>2,867,772</u>	<u>33</u>	<u>2,346,496</u>	<u>27</u>
Non-current assets:						Non-Current liabilities:					
1550	Investments accounted for using equity method, net (note 6(d))	3,352,240	39	3,403,670	40	2540	Long-term borrowings (note 6(i) and (q))	-	-	400,000	5
1600	Property, plant and equipment (note 6(e))	2,485,520	29	2,558,085	30	2570	Deferred tax liabilities (note 6(k))	260,519	3	271,826	3
1760	Investment property, net (note (f))	113,396	1	114,163	1	2640	Net defined benefit liability, non-current (note 6(j))	52,597	1	45,500	1
1780	Intangible assets	39,781	-	34,591	-	2645	Guarantee deposits received (note 6(q) and 7)	3,637	-	3,559	-
1840	Deferred tax assets (note 6(k))	45,005	1	43,940	1	2650	Credit balance of investments accounted for using equity method (note 6(d))	1,300	-	35,332	-
1915	Prepayments for business facilities	6,894	-	4,975	-	2670	Other non-current liabilities (note 6(q))	<u>152,792</u>	<u>2</u>	<u>2,268</u>	<u>-</u>
1920	Refundable deposits paid (note 6(q))	29,366	-	19,696	-			<u>470,845</u>	<u>6</u>	<u>758,485</u>	<u>9</u>
1984	Other non-current financial assets (note 6(g), (q) and 8)	151,003	2	151,193	2		Total liabilities	<u>3,338,617</u>	<u>39</u>	<u>3,104,981</u>	<u>36</u>
1990	Other non-current assets (note 6(g))	<u>79,672</u>	<u>1</u>	<u>10,936</u>	<u>-</u>		Equity (note 6(l)):				
		6,302,877	73	6,341,249	74	3100	Capital stock	2,486,500	29	2,486,500	29
		<u>8,506,472</u>	<u>100</u>	<u>8,554,747</u>	<u>100</u>	3200	Capital surplus (note 6(d))	311,876	4	337,997	4
		<u>\$ 8,506,472</u>	<u>100</u>	<u>8,554,747</u>	<u>100</u>	3310	Legal reserve	1,198,617	14	1,093,808	13
						3320	Special reserve	133,709	2	110,154	2
						3350	Unappropriated retained earnings	1,235,223	14	1,555,016	18
						3400	Other equity interest	<u>(198,070)</u>	<u>(2)</u>	<u>(133,709)</u>	<u>(2)</u>
							Total equity	<u>5,167,855</u>	<u>61</u>	<u>5,449,766</u>	<u>64</u>
							Total liabilities and equity	<u>\$ 8,506,472</u>	<u>100</u>	<u>8,554,747</u>	<u>100</u>
	Total assets	<u>\$ 8,506,472</u>	<u>100</u>	<u>8,554,747</u>	<u>100</u>			<u>\$ 8,506,472</u>	<u>100</u>	<u>8,554,747</u>	<u>100</u>

(English Translation of Financial Statements Originally Issued in Chinese)
TTY BIOPHARM COMPANY LIMITED

Statements of Comprehensive Income

For the years ended December 31, 2021 and 2020

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

		2021		2020	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenue (note 6(n) and 7)	\$ 4,038,636	100	3,721,161	100
5000	Operating costs (note 6(c), (j) and 12)	<u>1,613,866</u>	<u>40</u>	<u>1,508,605</u>	<u>41</u>
	Gross profit	2,424,770	60	2,212,556	59
5910	Less: Unrealized profit (loss) from sales	18,474	-	23,316	1
5920	Add: Realized profit (loss) from sales	<u>23,316</u>	<u>-</u>	<u>21,870</u>	<u>1</u>
	Gross profit, net	<u>2,429,612</u>	<u>60</u>	<u>2,211,110</u>	<u>59</u>
6000	Operating expenses (note 6(j) and 12):				
6100	Selling expenses	736,328	18	799,945	21
6200	Administrative expenses (note 6(o))	301,965	8	287,363	7
6300	Research and development expenses	245,778	6	216,594	6
6450	Expected credit losses (note 6(b))	<u>12,024</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>1,296,095</u>	<u>32</u>	<u>1,303,902</u>	<u>34</u>
	Net operating income	<u>1,133,517</u>	<u>28</u>	<u>907,208</u>	<u>25</u>
	Non-operating income and losses (note 6(p) and 7):				
7100	Interest income	442	-	1,126	-
7010	Other income	16,930	-	16,818	1
7020	Other gains and losses, net	(170,936)	(4)	17,842	1
7050	Finance costs, net	(17,288)	-	(17,358)	(1)
7070	Share of profit of subsidiaries and associates accounted for using equity method, net (note 6(d))	<u>119,554</u>	<u>3</u>	<u>203,819</u>	<u>5</u>
		<u>(51,298)</u>	<u>(1)</u>	<u>222,247</u>	<u>6</u>
	Profit before tax	<u>1,082,219</u>	<u>27</u>	<u>1,129,455</u>	<u>31</u>
7950	Less: Income tax expenses (Note 6(k))	<u>250,325</u>	<u>6</u>	<u>205,277</u>	<u>6</u>
	Profit for the period	<u>831,894</u>	<u>21</u>	<u>924,178</u>	<u>25</u>
8300	Other comprehensive income:				
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss				
8311	(Losses) gains on remeasurements of defined benefit plans (note 6(j))	(10,809)	-	7,920	-
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	-	-	15,132	-
8330	Share of other comprehensive loss of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(5,802)	-	(7,097)	-
8349	Income tax related to components of other comprehensive (loss) income that will not be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Components of other comprehensive (loss) income that will not be reclassified to profit or loss	<u>(16,611)</u>	<u>-</u>	<u>15,955</u>	<u>-</u>
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation	(87,520)	(2)	(82,635)	(2)
8380	Share of other comprehensive (loss) income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(182)	-	268	-
8399	Income tax related to components of other comprehensive loss that may be reclassified to profit or loss	<u>17,540</u>	<u>-</u>	<u>16,480</u>	<u>(1)</u>
	Components of other comprehensive loss that may be reclassified to profit or loss	<u>(70,162)</u>	<u>(2)</u>	<u>(65,887)</u>	<u>(1)</u>
8300	Other comprehensive loss for the period, net of tax	<u>(86,773)</u>	<u>(2)</u>	<u>(49,932)</u>	<u>(1)</u>
	Total comprehensive income for the period	<u>\$ 745,121</u>	<u>19</u>	<u>874,246</u>	<u>24</u>
	Earnings per share, net of tax (note 6(m))				
	Basic earnings per share	<u>\$ 3.35</u>		<u>3.72</u>	
	Diluted earnings per share	<u>\$ 3.34</u>		<u>3.71</u>	

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)
TTY BIOPHARM COMPANY LIMITED

Statements of Changes in Equity

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollar)

	Share capital		Retained earnings			Total other equity interest				Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interest		
Balance on January 1, 2020	\$ 2,486,500	338,514	1,003,556	110,154	1,591,777	(80,724)	120,859	40,135	5,570,636	
Net income	-	-	-	-	924,178	-	-	-	924,178	
Other comprehensive income	-	-	-	-	7,920	(65,887)	8,035	(57,852)	(49,932)	
Total comprehensive income	-	-	-	-	932,098	(65,887)	8,035	(57,852)	874,246	
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	90,252	-	(90,252)	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(994,599)	-	-	-	(994,599)	
Other changes in capital surplus:										
Changes in equity of investments accounted for using equity method	-	(517)	-	-	-	-	-	-	(517)	
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	115,992	-	(115,992)	(115,992)	-	
Balance on December 31, 2020	2,486,500	337,997	1,093,808	110,154	1,555,016	(146,611)	12,902	(133,709)	5,449,766	
Net income	-	-	-	-	831,894	-	-	-	831,894	
Other comprehensive income	-	-	-	-	(10,809)	(70,162)	(5,802)	(75,964)	(86,773)	
Total comprehensive income	-	-	-	-	821,085	(70,162)	(5,802)	(75,964)	745,121	
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	104,809	-	(104,809)	-	-	-	-	
Special reserve appropriated	-	-	-	23,555	(23,555)	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(994,600)	-	-	-	(994,600)	
Other changes in capital surplus:										
Changes in equity of investments accounted for using equity method	-	(13,893)	-	-	-	-	-	-	(13,893)	
Other changes in capital surplus	-	710	-	-	-	-	-	-	710	
Difference between consideration value and carrying amount of subsidiaries acquired or disposed	-	(13,155)	-	-	(6,311)	-	-	-	(19,466)	
Changes in ownership interests in subsidiaries	-	217	-	-	-	-	-	-	217	
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	(11,603)	-	11,603	11,603	-	
Balance on December 31, 2021	\$ 2,486,500	311,876	1,198,617	133,709	1,235,223	(216,773)	18,703	(198,070)	5,167,855	

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)
TTY BIOPHARM COMPANY LIMITED

Statements of Cash Flows

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollar)

	2021	2020
Cash flows from (used in) operating activities:		
Profit before tax	\$ 1,082,219	1,129,455
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	140,926	132,489
Amortization expense	7,657	5,226
Expected credit losses	12,024	-
Interest expense	17,288	17,358
Interest income	(442)	(1,126)
Share of profit of investments accounted for using the equity method	(119,554)	(203,819)
Losses on disposal of property, plant and equipment	108	321
Unrealized profit from sales	18,474	23,316
Realized profit from sales	(23,316)	(21,870)
Gain from lease modification	(232)	(7)
Amortization of deferred profit	(13,183)	(2,917)
Total adjustments to reconcile profit (loss)	39,750	(51,029)
Changes in operating assets and liabilities:		
Notes receivable	(878)	(1,653)
Accounts receivable	(158,641)	7,008
Other receivable	1,330	30,462
Inventories	147,463	(219,403)
Other current assets	5,315	(8,014)
Total changes in operating assets	(5,411)	(191,600)
Current contract liabilities	24,604	3,318
Notes payable	198,672	1,202
Accounts payable	(34,871)	(22,617)
Other payable	31,243	(61,023)
Other current liabilities	(2,208)	(4,675)
Net defined benefit liability	(3,712)	(2,689)
Total changes in operating liabilities	213,728	(86,484)
Total changes in operating assets and liabilities	208,317	(278,084)
Total adjustments	248,067	(329,113)
Cash inflow generated from operations	1,330,286	800,342
Interest received	442	1,126
Dividends received	112,197	59,964
Interest paid	(16,772)	(17,495)
Income taxes paid	(195,916)	(301,910)
Net cash flows from operating activities	1,230,237	542,027
Cash flows from (used in) investing activities:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	70,172
Acquisition of investments accounted for using equity method	(13,863)	-
Acquisition of property, plant and equipment	(56,552)	(155,962)
Proceeds from disposal of property, plant and equipment	-	13
(Increase) decrease in refundable deposits paid	(9,670)	8,393
Acquisition of intangible assets	(12,847)	(13,210)
Decrease in other financial assets	190	1,228
Increase in prepayments for business facilities	(2,690)	(789)
(Increase) decrease in other non-current assets	(68,736)	10,656
Net cash flows used in investing activities	(164,168)	(79,499)
Cash flows from (used in) financing activities:		
Increase in short-term loans	5,400,000	5,400,000
Decrease in short-term loans	(5,400,000)	(5,200,000)
Proceeds from long-term borrowings	-	700,000
Repayments of long-term borrowings	-	(650,000)
Increase in guarantee deposits received	78	-
Payment of lease liabilities	(5,544)	(4,888)
Cash dividends paid	(994,600)	(994,599)
Dividends unclaimed by shareholders	710	-
Net cash flows used in financing activities	(999,356)	(749,487)
Effect of exchange rate changes on cash and cash equivalents	(3)	35
Net increase (decrease) in cash and cash equivalents	66,710	(286,924)
Cash and cash equivalents at beginning of period	194,591	481,515
Cash and cash equivalents at end of period	\$ 261,301	194,591

See accompanying notes to financial statements.



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Independent Auditors' Report

To the Board of Directors of TTY Biopharm Company Limited:

Opinion

We have audited the consolidated financial statements of TTY Biopharm Company Limited and its subsidiaries (“the Group”), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report of another auditor (please refer to the Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretations developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation 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 Consolidated Financial Statements section of our report. We are independent of the Group 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. Based on our audits and the report of another auditor, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Other Matter

We did not audit the financial statements of PharmaEngine Inc, an associate of the Group, which represented investment in another entity accounted for using the equity method. Those statements were audited by another auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for certain equity-accounted investees, is based solely on the report of another auditor. The investment in the investee company constituting 9.40% and 9.37% of consolidated total assets as of December 31, 2021 and 2020, respectively, and the related share of profit of associates accounted for using the equity method constituting 7.01% and 8.94% of consolidated profit before tax for the years ended December 31, 2021 and 2020, respectively.

We have audited the financial statements of TTY Biopharm Company Limited as of and for the years ended December 31, 2021 and 2020, on which we have issued an unqualified opinion with an other matter section, thereon.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Key audit matters for the consolidated financial statements are stated as follows:

1. Occurrence of revenue from selling pharmaceuticals and chemical drugs

Please refer to Notes 4(p) of the consolidated financial statements for the accounting principles on revenue recognition. Revenues are recognized by net values of contract prices, less sales returns and allowances, after controls of the products are transferred to the customers.

Key audit matters:

The Group's sales is mainly from the selling of pharmaceuticals and chemical drugs. Because the customers are diversity and numerous, it takes longer time to verify sales transactions. Therefore, the occurrence in sales transactions is one of the important issue in performing our audit procedures.

Auditing procedures performed:

- Testing the effectiveness of the design and implementing the internal control system of sales and collection operation;
- Testing the samples of sales transaction before and after the balance sheet date to ensure the correctness of sales revenue;
- Inspecting the related documents to ensure the adequacy and reasonableness of revenue recognition.

2. Inventory valuation

Please refer to Notes 4(h) and 5 of the consolidated financial statements for the accounting principles on the inventory valuation, significant accounting assumptions and judgments, and major sources of estimation uncertainty.

Key audit matters:

The Group's primary operating items are manufacturing and processing various kinds of pharmaceuticals. The pharmaceutical industry in Taiwan is susceptible to the constant amendments of its law, resulting in large price fluctuation of pharmaceutical products, which will affect the carrying value of inventories to exceed its net value. Because of these uncertainties, the Group's revenue and income may be effected by the price fluctuations. If the assessment of the net realizable value of the inventory is not appropriate, it will lead to a material misstatement of the financial statements.

Auditing procedures performed:

- Overviewing the stock ageing list, analyzing the movement of stock ageing by period;
- Obtaining the certificate documents to verify the correctness of the stock's expiry date; and
- Sampling the replacement cost and market price of inventories, and recalculating the net realizable value by marketing expense rate, to ensure the reasonableness of net realizable value adopted by the Group.



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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated financial statements.

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

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



6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements 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 auditors' report are Yilien Han and Shu-Ying Chang.

KPMG

Taipei, Taiwan (Republic of China)
March 9, 2022

Notes to Readers

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

The independent auditors' audit report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollar)

		<u>December 31, 2021</u>		<u>December 31, 2020</u>				<u>December 31, 2021</u>		<u>December 31, 2020</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>			<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Assets						Liabilities and Equity					
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a) and (t))	\$ 2,222,253	24	2,223,730	24	2100	Short-term borrowings (note 6(k), (t) and 8)	\$ 1,711,070	18	1,715,070	18
1120	Current financial assets at fair value through other comprehensive income (note 6(b) and (t))	52,929	1	62,216	1	2130	Contract liabilities-current (note 6 (q))	39,769	-	16,285	-
1150	Notes receivable, net (note 6(c) and (t))	37,646	-	33,766	-	2150	Notes payable (note 6(t))	57,235	1	5,864	-
1170	Accounts receivable, net (note 6(c) and (t))	1,077,111	12	974,648	10	2170	Accounts payable (note 6(t))	130,033	1	153,576	2
1180	Accounts receivable due from related parties, net (note 6(c), (t) and 7)	22,996	-	24,854	-	2219	Other payables (note 6(t))	522,085	6	497,016	5
1200	Other receivables, net (note 6(t) and 7)	13,622	-	16,483	-	2230	Current tax liabilities	150,392	2	110,127	1
130X	Inventories (note 6(d))	955,011	10	1,110,501	12	2300	Other current liabilities	33,090	-	34,185	-
1410	Prepayments	46,960	1	64,146	1	2320	Long-term liabilities, current portion (note 6(l), (t) and 8)	407,905	5	16,543	-
1476	Other current financial assets (note 6(j) and (t))	319,724	3	280,186	3			<u>3,051,579</u>	<u>33</u>	<u>2,548,666</u>	<u>26</u>
1470	Other current assets (note 6(j))	1,151	-	8,011	-						
		<u>4,749,403</u>	<u>51</u>	<u>4,798,541</u>	<u>51</u>						
Non-current assets:						Non-current liabilities:					
1517	Non-current financial assets at fair value through other comprehensive income (note 6(b) and (t))	197,204	2	226,241	3	2540	Long-term borrowings (note 6(l), (t) and 8)	4,146	-	412,051	4
1550	Investments accounted for using the equity method, net (note 6(e))	1,233,023	13	1,221,736	13	2570	Deferred tax liabilities (note 6(n))	260,519	3	271,826	3
1600	Property, plant and equipment (note 6(g))	2,511,393	28	2,584,740	28	2640	Net defined benefit liability, non-current (note 6(m))	52,597	1	45,500	-
1760	Investment property, net (note 6(h))	135,689	1	137,270	1	2645	Guarantee deposits received (note 6(t))	2,429	-	2,430	-
1780	Intangible assets (note 6(i))	124,904	1	132,898	1	2670	Other non-current liabilities (note 6(t))	157,961	2	2,268	-
1840	Deferred tax assets (note 6(n))	63,723	1	61,798	1			<u>477,652</u>	<u>6</u>	<u>734,075</u>	<u>7</u>
1915	Prepayments for business facilities	8,487	-	4,975	-			<u>3,529,231</u>	<u>39</u>	<u>3,282,741</u>	<u>33</u>
1920	Refundable deposits paid (note 6(t))	33,833	-	22,019	-						
1984	Other non-current financial assets (note 6(j), (t) and 8)	151,300	2	159,514	2						
1990	Other non-current assets (note 6(j))	87,506	1	11,077	-						
		4,547,062	49	4,562,268	49						
		<u>\$ 9,296,465</u>	<u>100</u>	<u>9,360,809</u>	<u>100</u>						
Total assets											
							Total liabilities				
							Equity attributable to owners of parent (note 6(o)):				
						3100	Share capital	2,486,500	27	2,486,500	27
						3200	Capital surplus (note 6(e))	311,876	3	337,997	4
						3310	Legal reserve	1,198,617	13	1,093,808	12
						3320	Special reserve	133,709	1	110,154	1
						3350	Unappropriated retained earnings	1,235,223	13	1,555,016	17
						3400	Other equity interest	(198,070)	(2)	(133,709)	(1)
							Equity attributable to owners of parent:	5,167,855	55	5,449,766	60
						36XX	Non-controlling interests (note 6(o))	599,379	6	628,302	7
							Total equity	<u>5,767,234</u>	<u>61</u>	<u>6,078,068</u>	<u>67</u>
							Total liabilities and equity	<u>\$ 9,296,465</u>	<u>100</u>	<u>9,360,809</u>	<u>100</u>

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2021 and 2020

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

	2021		2020	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000 Operating revenue (note 6(q) and 7)	\$ 4,535,610	100	4,221,836	100
5000 Operating costs (note 6(d), (i), (m) and 12)	<u>1,767,630</u>	<u>39</u>	<u>1,617,062</u>	<u>38</u>
Gross profit	2,767,980	61	2,604,774	62
5910 Less: Unrealized profit (loss) from sales	8,161	-	6,734	-
5920 Add: Realized profit (loss) from sales	<u>6,734</u>	<u>-</u>	<u>9,012</u>	<u>-</u>
Gross profit, net	<u>2,766,553</u>	<u>61</u>	<u>2,607,052</u>	<u>62</u>
6000 Operating expenses (note 6(i), (m), (r) and 12):				
6100 Selling expenses	921,732	21	983,415	23
6200 Administrative expenses	402,992	9	404,758	10
6300 Research and development expenses	287,595	6	261,597	6
6450 Expected credit losses (gains) (note 6(c))	<u>13,582</u>	<u>-</u>	<u>(97)</u>	<u>-</u>
Total operating expenses	<u>1,625,901</u>	<u>36</u>	<u>1,649,673</u>	<u>39</u>
Net operating income	<u>1,140,652</u>	<u>25</u>	<u>957,379</u>	<u>23</u>
Non-operating income and expenses:				
7100 Interest income (note 6(s))	6,309	-	14,981	-
7010 Other income (note 6(s))	11,271	-	91,412	2
7020 Other gains and losses, net (note 6(s) and 7)	(187,051)	(4)	(5,699)	-
7050 Finance costs, net (note 6(s))	(18,985)	-	(19,413)	-
7060 Share of profit of associates accounted for using the equity method, net (note 6(e))	<u>135,184</u>	<u>3</u>	<u>162,865</u>	<u>4</u>
7055 Total non-operating income and expenses	<u>(53,272)</u>	<u>(1)</u>	<u>244,146</u>	<u>6</u>
Profit before tax	1,087,380	24	1,201,525	29
7950 Less: Income tax expenses (note 6(n))	<u>264,811</u>	<u>6</u>	<u>222,848</u>	<u>5</u>
Profit for the period	<u>822,569</u>	<u>18</u>	<u>978,677</u>	<u>24</u>
8300 Other comprehensive income:				
8310 Components of other comprehensive income (loss) that will not be reclassified to profit or loss				
8311 (Losses) gains on remeasurements of defined benefit plans	(10,809)	-	7,920	-
8316 Unrealized (losses) gains from investments in equity instruments measured at fair value through other comprehensive	(21,094)	-	12,507	-
8320 Share of other comprehensive income (loss) of associates accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6,112	-	(5,615)	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
Components of other comprehensive (loss) income that will not be reclassified to profit or loss	<u>(25,791)</u>	<u>-</u>	<u>14,812</u>	<u>-</u>
8360 Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361 Exchange differences on translation	(87,454)	(2)	(82,652)	(2)
8370 Share of other comprehensive (loss) income of associates accounted for using the equity method, components of other comprehensive income that will be reclassified to profit or loss	(220)	-	282	-
8399 Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>17,540</u>	<u>-</u>	<u>16,480</u>	<u>-</u>
Components of other comprehensive loss that will be reclassified to profit or loss	<u>(70,134)</u>	<u>(2)</u>	<u>(65,890)</u>	<u>(2)</u>
8300 Other comprehensive Loss	<u>(95,925)</u>	<u>(2)</u>	<u>(51,078)</u>	<u>(2)</u>
Total comprehensive income for the period	<u>\$ 726,644</u>	<u>16</u>	<u>927,599</u>	<u>22</u>
Profit attributable to:				
8610 Owners of parent	\$ 831,894	18	924,178	23
8620 Non-controlling interests	<u>(9,325)</u>	<u>-</u>	<u>54,499</u>	<u>1</u>
	<u>\$ 822,569</u>	<u>18</u>	<u>978,677</u>	<u>24</u>
Comprehensive income attributable to:				
Owners of parent	\$ 745,121	16	874,246	21
Non-controlling interests	<u>(18,477)</u>	<u>-</u>	<u>53,353</u>	<u>1</u>
	<u>\$ 726,644</u>	<u>16</u>	<u>927,599</u>	<u>22</u>
Earnings per share, net of tax (note 6(p))				
9750 Basic earnings per share	<u>\$ 3.35</u>		<u>3.72</u>	
9850 Diluted earnings per share	<u>\$ 3.34</u>		<u>3.71</u>	

See accompanying notes to financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES

Consolidated Statements of Changes in Equity
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollar)

	Equity attributable to owners of parent										Total equity
	Share capital	Retained earnings				Total other equity interest			Total equity attributable to owners of parent	Non-controlling interests	
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total other equity interest			
Balance on January 1, 2020	\$ 2,486,500	338,514	1,003,556	110,154	1,591,777	(80,724)	120,859	40,135	5,570,636	598,428	6,169,064
Net income	-	-	-	-	924,178	-	-	-	924,178	54,499	978,677
Other comprehensive income	-	-	-	-	7,920	(65,887)	8,035	(57,852)	(49,932)	(1,146)	(51,078)
Total comprehensive income	-	-	-	-	932,098	(65,887)	8,035	(57,852)	874,246	53,353	927,599
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	90,252	-	(90,252)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(994,599)	-	-	-	(994,599)	-	(994,599)
Other changes in capital surplus:											
Changes in equity of investments accounted for using the equity method	-	(517)	-	-	-	-	-	-	(517)	-	(517)
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	6,600	6,600
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	115,992	-	(115,992)	(115,992)	-	-	-
Distribution of dividend by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	(30,079)	(30,079)
Balance at December 31, 2020	2,486,500	337,997	1,093,808	110,154	1,555,016	(146,611)	12,902	(133,709)	5,449,766	628,302	6,078,068
Net income	-	-	-	-	831,894	-	-	-	831,894	(9,325)	822,569
Other comprehensive income	-	-	-	-	(10,809)	(70,162)	(5,802)	(75,964)	(86,773)	(9,152)	(95,925)
Total comprehensive income	-	-	-	-	821,085	(70,162)	(5,802)	(75,964)	745,121	(18,477)	726,644
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	104,809	-	(104,809)	-	-	-	-	-	-
Special reserve appropriated	-	-	-	23,555	(23,555)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(994,600)	-	-	-	(994,600)	-	(994,600)
Other changes in capital surplus:											
Changes in equity of investments accounted for using the equity method	-	(13,893)	-	-	-	-	-	-	(13,893)	-	(13,893)
Other changes in capital surplus	-	710	-	-	-	-	-	-	710	-	710
Difference between consideration value and carrying amount of subsidiaries acquired or disposed	-	(13,155)	-	-	(6,311)	-	-	-	(19,466)	19,466	-
Changes in ownership interests in subsidiaries	-	217	-	-	-	-	-	-	217	168	385
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	(11,603)	-	11,603	11,603	-	-	-
Distribution of dividend by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	(30,080)	(30,080)
Balance on December 31, 2021	\$ 2,486,500	311,876	1,198,617	133,709	1,235,223	(216,773)	18,703	(198,070)	5,167,855	599,379	5,767,234

See accompanying notes to financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
TTY BIOPHARM COMPANY LIMITED AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollar)

	2021	2020
Cash flows from (used in) operating activities:		
Profit before tax	\$ 1,087,380	1,201,525
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expenses	145,448	137,130
Amortization expenses	21,833	19,869
Expected credit losses (gains)	13,582	(97)
Net losses on financial assets or liabilities at fair value through profit or loss	-	1,558
Interest expenses	18,985	19,413
Interest income	(6,309)	(14,981)
Dividend income	(6,360)	(6,420)
Shares of profit of investments accounted for using the equity method	(135,184)	(162,865)
Losses on disposal of property, plant and equipment	736	321
Losses (gains) on disposal of investments	205	(1,715)
Impairment loss on non-financial assets	4,146	4,583
Unrealized profit from sales	8,161	6,734
Realized profit from sales	(6,734)	(9,012)
Total adjustments to reconcile profit (loss)	58,509	(5,482)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes receivable	(3,880)	953
Accounts receivable	(114,319)	(36,422)
Other receivables	2,009	103,277
Inventories	155,118	(251,804)
Prepayments and other current assets	19,707	16,808
Total changes in operating assets	58,635	(167,188)
Changes in operating liabilities:		
Contract liabilities	23,484	(393)
Notes payable	195,171	4,410
Accounts payable	(23,073)	(26,354)
Other payable	24,968	(77,511)
Other current liabilities	(12,027)	(111,225)
Net defined benefit liability	(3,712)	(2,689)
Total changes in operating liabilities	204,811	(213,762)
Total changes in operating assets and liabilities	263,446	(380,950)
Total adjustments	321,955	(386,432)
Cash inflow generated from operations	1,409,335	815,093
Interest received	6,375	14,981
Dividends received	79,520	27,347
Interest paid	(18,666)	(19,596)
Income taxes paid	(220,223)	(311,474)
Net cash flows from operating activities	1,256,341	526,351
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(3,478)	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	20,707	252,956
Proceeds from disposal of financial assets at fair value through profit or loss	-	4,316
Acquisition of property, plant and equipment	(56,032)	(167,317)
Proceeds from disposal of property, plant and equipment	25	13
(Increase) decrease in refundable deposits paid	(11,820)	9,108
Acquisition of intangible assets	(13,839)	(13,754)
(Increase) decrease in other financial assets	(31,324)	51,552
Increase in prepayments for business facilities	(4,283)	(789)
(Increase) decrease in other non-current assets	(68,735)	11,151
Net cash flows (used in) from investing activities	(168,779)	147,236
Cash flows from (used in) financing activities:		
Increase in short-term loans	5,400,000	5,400,000
Decrease in short-term loans	(5,404,000)	(5,246,000)
Proceeds from long-term borrowings	-	720,000
Repayments of long-term borrowings	(16,543)	(663,650)
Increase in other non-current liabilities	-	1,120
Cash dividends paid	(994,600)	(994,599)
Dividends unclaimed by shareholders	1,095	-
Cash dividends paid to non-controlling interests	(30,080)	(30,079)
Change in non-controlling interests	-	6,600
Net cash flows used in financing activities	(1,044,128)	(806,608)
Effect of exchange rate changes on cash and cash equivalents	(44,911)	(65,407)
Net decrease in cash and cash equivalents	(1,477)	(198,428)
Cash and cash equivalents at beginning of period	2,223,730	2,422,158
Cash and cash equivalents at end of period	\$ 2,222,253	2,223,730

See accompanying notes to financial statements.

Attachment 2

TTY BIOPHARM COMPANY LIMITED **Audit Committee's Review Report on the year 2021 Financial Statements**

The Board of Directors presented the year 2021 Business Report, Financial Statement (including the consolidated financial statement) and profit distribution proposal. The Financial Statement (including the consolidated financial statement) was audited by KPMG Taiwan and the results were compiled into a report. The aforementioned reports and statements were audited and found satisfactory by the Company's audit committee. They are hereby submitted respectfully for examination pursuant to the regulations set forth in Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Submitted to: Year 2022 Annual General Meeting of Shareholders of the Company

Hsueh, Ming-Ling

Chairman of the Audit Committee

March 9, 2022

Attachment 3

TTY BIOPHARM COMPANY LIMITED

Year 2021 Profits Distribution Table

Unit: NTD

Item	Amount	Note
Unappropriated retained earnings of previous year	432,051,362	Re-measurement effects of defined benefit plans, the difference between share price and book value for affiliates, and recognized the gain (loss) of affiliates resulting from investments in equity instruments measured at fair value through other comprehensive income, and aforementioned gain (loss) is directly transferred to retained earnings. Cash dividend of NT\$3.0 per share
Less: Year 2021 retained earnings adjustment	28,723,022	
Add: Year 2021 net profit after tax for the year	831,893,428	
Less: Appropriated as legal capital reserve (10%)	80,317,041	
Less: Appropriated as special reserve	64,360,882	
Retained earnings available for distribution as of December 31, 2021	1,090,543,845	
Allocation Items		
Cash Dividends to Shareholders	745,949,877	
Unappropriated retained earnings as of December 31, 2021	344,593,968	

Note:

1. Total 248,649,959 outstanding common shares
2. Earnings distribution this time would be paid from earnings for year 2021 as priority.

Chairman of the Board: Lin, Chuan

Responsible Management: Lin, Chuan

Responsible Accountant: Wang, Shu-Wen

Attachment 4

TTY BIOPHARM COMPANY LIMITED

Amendment Comparison Table of “Articles of Incorporation”

Before amendment	After amendment	Reason for amendment
<p>Article 4 The total reinvestment amount may exceed 40% of the paid-in capital. Reinvestment related matters shall be approved by the board of directors and included in the meeting minutes of board meetings before coming into effect.</p>	<p>Article 4 The total reinvestment amount may exceed 40% of the share capital. Reinvestment related matters shall be approved by the board of directors and included in the meeting minutes of board meetings before coming into effect.</p>	Wording Modification.
<p>Article 10 Change to entitlement of shares would be ceased since 60 days prior to annual general meeting, 30 days prior to extraordinary general meeting or 5 days prior record date which decided by the company to distribute dividend, bonus or other benefit.</p>	<p>Article 10 Change to record in the shareholders’ list would be ceased since 60 days prior to annual general meeting, 30 days prior to extraordinary general meeting or 5 days prior record date which decided by the company to distribute dividend, bonus or other benefit.</p>	Wording Modification.
<p>Article 11 Annual Shareholders Meetings shall be convened by the board of directors within 6 months upon the end of the accounting year. Extraordinary Shareholders Meetings may be convened when deemed necessary in accordance with relevant laws.</p>	<p>Article 11 Annual Shareholders Meetings shall be convened at least once a year, by the board of directors within 6 months upon the end of the accounting year. Extraordinary Shareholders Meetings may be convened when deemed necessary in accordance with relevant laws.</p>	Wording Modification.
<p>Article 12.1</p>	<p>Article 13</p>	Content unchanged, only article adjustment (from 12.1 to 13).
<p>Article 13</p>	<p>Article 14</p>	Content unchanged, only article adjustment (from 13 to 14).
<p>Article 13.1</p>	<p>Article 15</p>	Content unchanged, only article adjustment (from 13.1 to 15).

Before amendment	After amendment	Reason for amendment
<p>Article 14 The Company shall appoint 7 to 11 board directors. The number of directors elected shall be determined in a board meeting. And a candidate nomination system shall be adapted and the shareholders meeting shall elect directors from the list of candidates. They shall serve for a term of three years. And They may serve consecutive terms if reelected. At least of the aforementioned 7 to 11 directors and 20% of the aforementioned quota shall be independent directors. The professional qualifications, shareholding ratios, concurrent appointment restrictions, nomination and election methods, and other matters for compliance shall be based on relevant regulations of the authorities in charge of securities.</p>	<p>Article 16 The Company shall appoint 7 to 11 board directors. The number of directors elected shall be determined in a board meeting. And a candidate nomination system shall be adapted and the shareholders meeting shall elect directors from the list of candidates. They shall serve for a term of three years. And They may serve consecutive terms if reelected. At least of the aforementioned 7 to 11 directors and 1/3 of the aforementioned quota shall be independent directors. The professional qualifications, shareholding ratios, concurrent appointment restrictions, nomination and election methods, and other matters for compliance shall be based on relevant regulations of the authorities in charge of securities.</p>	<ol style="list-style-type: none"> 1. Article adjustment (from 14 to 16) 2. Amendment was made for the purpose of strengthening supervision of board of directors, one-third of directors shall be independent directors.
<p>Article 14.1 Content omitted</p>	<p>Article 17 Content omitted</p>	<p>Content unchanged, only article adjustment (from 14.1 to 17).</p>
<p>Article 14.2 Content omitted</p>	<p>Article 18 Content omitted</p>	<p>Content unchanged, only article adjustment (from 14.2 to 18).</p>
<p>Article 14.3 Content omitted</p>	<p>Article 19 Content omitted</p>	<p>Content unchanged, only article adjustment (from 14.3 to 19).</p>
<p>Article 14.4 Content omitted</p>	<p>Article 20 Content omitted</p>	<p>Content unchanged, only article adjustment (from 14.4 to 20).</p>
<p>Article 15 Content omitted</p>	<p>Article 21 Content omitted</p>	<p>Content unchanged, only article adjustment (from 15 to 21).</p>
<p>Article 16 Content omitted</p>	<p>Article 22 Content omitted</p>	<p>Content unchanged, only article adjustment (from 16 to 22).</p>

Before amendment	After amendment	Reason for amendment
Article 16.1 Content omitted	Article 23 Content omitted	Content unchanged, only article adjustment (from 16.1 to 23).
Article 17 Content omitted	Article 24 Content omitted	Content unchanged, only article adjustment (from 17 to 24).
Article 18 Content omitted	Article 25 Content omitted	Content unchanged, only article adjustment (from 18 to 25).
Article 19 Content omitted	Article 26 Content omitted	Content unchanged, only article adjustment (from 19 to 26).
Article 20 The accounting year runs from January 1 to December 31. Accounts shall be settled at the end of every year. Upon settlement of accounts, the board of directors shall create the following documents and forms which These documents and the review report shall be submitted to the shareholders meeting for ratification in accordance with relevant laws. 1. Business report. 2. Financial statement. 3. Surplus allocation or loss make-up proposal.	Article 27 The accounting year runs from January 1 to December 31. Accounts shall be settled at the end of every year. Upon settlement of accounts, the board of directors shall create the following documents and forms which These documents and the review report shall be submitted to the annual general meeting for ratification in accordance with relevant laws. 1. Business report. 2. Financial statement. 3. Surplus allocation or loss make-up proposal.	1. Content unchanged, only article adjustment (from 20 to 27). 2. Wording modification.
Article 21 Content omitted.	Article 28 Content omitted.	Content unchanged, only article adjustment (from 21 to 28).

Before amendment	After amendment	Reason for amendment
<p>Article 22 Where surpluses are recorded upon annual settlement of accounts, 10% shall be appropriated as legal reserve upon payment of taxes and making up for previous losses in accordance with relevant laws unless the Legal Reserve has reached the Company's total paid-in capital. The remaining profits shall be set aside for special reserve in accordance with the laws, regulations, or the business requirements. Any further remaining profits plus unappropriated earnings shall be distributed in accordance with the proposal submitted by the Board for approval at a shareholders' meeting.</p>	<p>Article 29 The Company's earnings, if any, at the end of fiscal year, shall pay tax first and recover accumulated losses before contributing 10% for legal reserve. However, this shall not be applied if legal reserve hereto has already reached the amount of share capital. After residual amount from aforementioned calculation is added to unappropriated earnings from previous period, a contribution or reversal to special reserved shall then be conducted in accordance with regulations or competent authority's requirements. At the end of each fiscal year, the Board of Directors will propose an earnings distribution based on considerations of the Company's profits, capital and financial structure, future business needs, accumulated earnings and legal reserve, market competition conditions as well as shareholders' interests. The proposal hereto shall be submitted to Annual General Meeting for resolution before being executed accordingly.</p>	<ol style="list-style-type: none"> 1. Article adjustment (from 22 to 29). 2. Related consideration factors on earnings distribution prescribed in original Article 23 are related to contents of this article, and therefore these factors are now moved to the latter part of paragraph 1 of this article. 3. For the purpose of explaining basis for legal reserve contribution, paragraph 2 is hereby added accordingly in accordance with official letter from the Ministry of Economic Affairs dated January 9th, 2020 under reference number of Jin-Shang-Zi No.108024324101. 4. Wording modification.
<p>Article 23 In accordance with stock dividend allocation procedures, the board of directors shall formulate surplus distribution proposals in consideration of company profits, capital and financial structure, future business demands, accumulated surplus, legal reserves, and market competition conditions at the end of every year. These proposals shall be implemented upon resolution of the shareholders meeting.</p>		<p>Related consideration factors on earnings distribution prescribed in this Article are related to revised contents of Article 29, and therefore these factors are now moved to the latter part of paragraph 1 of Article 29.</p>

Before amendment	After amendment	Reason for amendment
<p>Article 24 The Company shall adopt a dividend equalization policy to ensure a sound financial structure and safeguard investor rights and interests. A minimum of 50% of distributable surpluses in the respective year shall be distributed as stock dividends. A minimum of 70% of the allocated stock dividends in the respective year shall be distributed in form of cash dividends.</p>	<p>Article 30 The Company adopts principle of conservatism in its distribution of dividend. In the event of surplus from the Company’s fiscal account, a contribution of not lower than 70% of the balance amount after tax payment, accumulated loss recovery, contribution of legal reserve and contribution or reversal of special earnings reserve as required by laws shall be made to serve as shareholder dividend in accordance with requirements of Article 29. This can be conducted in cash or stocks. Percentage for cash dividend distribution shall not lower than 70% of the total dividend amount. Based on the Company’s principles of stability for financial structure and dividend balance, the Company may distribute all or part of reserve or retained earnings from previous period in accordance with laws or competent authority’s requirements in the event that there is no surplus for distribution in current period, or there is surplus but surplus amount is obviously lower than the Company’s surplus actually distributed in the previous year. In the event of disposal of real estate, equity investments or intangible assets in the current year, all or a portion of difference between disposal amount and acquisition cost, or income received from litigation or commercial dispute, can be retained accordingly. Restrictions on distribution percentage prescribed in paragraph 1 of this article shall not apply. In the event that the Company distributes all or a portion of dividend, bonus or legal reserve or capital reserve in cash, the Board of Directors Meeting is hereby</p>	<ol style="list-style-type: none"> 1. Article adjustment (from 24 to 30). 2. Percentages for dividend contribution and cash dividend distribution are modified, and paragraph 1 is modified through adjustments on descriptions of the article contents. 3. Paragraph 2 of the article hereto is modified based on stability principles for the Company’s financial structure and practical needs. 4. Paragraph 3 of the article hereto is added in accordance with requirements prescribed on Paragraph 5, Article 240 of the Company Act.

Before amendment	After amendment	Reason for amendment
	authorized to execute this after two-thirds of directors attend Board of Directors Meeting and consent from half of attending directors is obtained, and the Annual General Meeting shall be reported accordingly.	
<i>Article 25</i> Content omitted	<i>Article 31</i> Content omitted	Content unchanged, only adjustment of articles (from 25 to 31).
<i>Article 26</i> Content omitted	<i>Article 32</i> Content omitted	Content unchanged, only article adjustment (from 26 to 32).
<i>Article 27</i> Content omitted	<i>Article 33</i> Content omitted	Content unchanged, only article adjustment (from 27 to 33).
<i>Article 28</i> These articles of incorporation were formulated on June 23, 1960. They were amended for the first time on June 17, 1966. ⋮ They were amended for the thirty-nine time on June 12, 2020.	<i>Article 34</i> These articles of incorporation were formulated on June 23, 1960. They were amended for the first time on June 17, 1966. ⋮ They were amended for the thirty-nine time on June 12, 2020. They were amended for the forty time on May 26, 2022.	1. Article adjustment. 2. Adding the date of the latest amendment.

Attachment 5

TTY BIOPHARM COMPANY LIMITED

Amendment Comparison Table of “Procedures for Acquisition or Disposal of Assets”

Before amendment	After amendment	Reason for amendment
<p>Article 6 Acquisition of Expert Report:</p> <p>1. In acquiring or disposing of real property or equipment or right-of-use assets where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government institution, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors, and the same procedure shall be followed for any future changes to the terms and conditions of the transaction.</p> <p>(2) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p>	<p>Article 6 Acquisition of Expert Report:</p> <p>1. In acquiring or disposing of real property or equipment or right-of-use assets where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government institution, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors, and the same procedure shall be followed for any future changes to the terms and conditions of the transaction.</p> <p>(2) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p>	<p>Amendment was made in accordance with the revision of “Regulations Governing with Acquisition and Disposal of Assets by Public Companies”.</p> <p>1. Given respective associations, to which external experts belong, have established related requirements on their responsible businesses, preface of paragraph 6 hereto is hereby amended accordingly to regulate that assessment report or opinions issued by professional appraisers and their employees, accountants, lawyers or securities underwriters shall be conducted not only in accordance with various items prescribed in current paragraph 6 but also self-discipline rules from respective associations to which they belong.</p> <p>2. Aforementioned external expert’s undertaking or execution of appraisal report or fairness opinion cases in accordance with requirements of operation procedures</p>

Before amendment	After amendment	Reason for amendment
<p>(3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(a) The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>(b) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>(4) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have</p>	<p>(3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(a) The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>(b) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>(4) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>2. Where the Company acquires or disposes of securities shall, prior to the date of occurrence of the event,</p>	<p>hereto is not an audit task on financial statement. Accordingly, words of "audit" cases prescribed in subparagraph 2 of paragraph 6 are hereby amended to "execution" cases.</p> <p>3. Under considerations of actual assessment sourced from utilized material, parameters and information, and being referred related words regarding information source and suitability and fairness of parameters prescribed on item 3-5, subparagraph 4, paragraph 4, Article 9 of Regulations Governing the Preparation of Financial Reports by Securities Issuers, explanation from Accounting Research and Development Foundation's letter dated December 25th, 2014 under reference number of (103) Ji-Mi-Zi No. 0000000298 and Article 27, No. 8 of Statements of Valuation Standards, words prescribed on subparagraph 3 and 4 of paragraph 6 are hereby amended accordingly in order to be in line with reality.</p> <p>4. Paragraph 6 of the article</p>

Before amendment	After amendment	Reason for amendment
<p>elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>2. Where the Company acquires or disposes of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p> <p>3. Where the Company acquires or disposes of intangible assets or right-of-use assets and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government institution, the Company shall engage a certified public accountant prior to the date</p>	<p>obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p> <p>3. Where the Company acquires or disposes of intangible assets or right-of-use assets and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government institution, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.</p> <p>4. Omitted.</p> <p>5. Omitted.</p> <p>6. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-discipline rules of its association and the following:</p>	<p>hereto has already added requirements requesting external expert to comply with his or her association's the self-discipline rules when issuing opinions. This has already encompassed procedures to be implemented by accountants when issuing opinions. Accordingly, words requiring accountants to comply with requirements on No. 20 of Statements of Auditing Standards published by Accounting Research and Development Foundation prescribed on subparagraph 3 of paragraph 1, paragraph 2 and 3 are hereby deleted.</p>

Before amendment	After amendment	Reason for amendment
<p>of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</p> <p>4. Omitted.</p> <p>5. Omitted.</p> <p>6. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <p>(1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>(2) When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>(3) They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>(4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that</p>	<p>(1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>(2) When executing, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>(3) They shall undertake an item-by-item evaluation of the adequacy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>(4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and adequate, and that they have complied with applicable laws and regulations.</p> <p>7. Omitted.</p>	

Before amendment	After amendment	Reason for amendment
<p>they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations.</p> <p>7. Omitted.</p>		
<p>Article 8 Related Party Transactions:</p> <p>1. Omitted.</p> <p>2. Assessment and Operation Procedures:</p> <p>(1) When the Company intends to acquire or dispose of real property or right-of-use assets from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds issued by adomestic securities investment trust enterprise (SITE), the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee and board of directors.</p> <p>(a) The purpose, necessity and anticipated benefit of the acquisition or</p> <p>(b) The reason for choosing the related party as a trading</p>	<p>Article 8 Related Party Transactions:</p> <p>1. Omitted.</p> <p>2. Assessment and Operation Procedures:</p> <p>(1) When the Company intends to acquire or dispose of real property or right-of-use assets from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds issued by adomestic securities investment trust enterprise (SITE), the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee and board of directors.</p> <p>(a) The purpose, necessity and anticipated benefit of the acquisition or</p> <p>(b) The reason for choosing the related party as a trading</p>	<p>Amendment was made in accordance with the revision of “Regulations Governing with Acquisition and Disposal of Assets by Public Companies”.</p> <p>1. For Paragraph 2 of original article, subparagraph 2 is now moved to subparagraph 6 while subparagraph 3 to subparagraph 5 are moved to subparagraph 2 to subparagraph 4.</p> <p>2. Subparagraph 5 is added: (1) For the purpose of enhancing management on related party transaction and protecting minority shareholders’ rights to express opinion over transaction between the Company and related party while preventing the Company from conducting transactions with major stakeholders through subsidiaries of non-domestically listed companies, it is hereby stipulated, under references of international major</p>

Before amendment	After amendment	Reason for amendment
<p>counterparty.</p> <p>(c) With respect to the acquisition of real property or right-of-use assets from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 15 and Article 16.</p> <p>(d) The date and price at which the related party originally acquired the real property, the original trading counterparty, and that trading counterparty's relationship to the Company and the related party.</p> <p>(e) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>(f) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>(g) Restrictive covenants and other important stipulations associated with the transaction.</p> <p>(2) The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 11.1.(2) herein, and "within the preceding year" as used herein refers to the year preceding the date of</p>	<p>counterparty.</p> <p>(c) With respect to the acquisition of real property or right-of-use assets from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 15 and Article 16.</p> <p>(d) The date and price at which the related party originally acquired the real property, the original trading counterparty, and that trading counterparty's relationship to the Company and the related party.</p> <p>(e) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>(f) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>(g) Restrictive covenants and other important stipulations associated with the transaction.</p> <p>(2) With respect to the types of transactions listed below, when to be conducted between the Company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the</p>	<p>capital markets' regulations requiring that transactions with major stakeholders shall be first approved by Annual General Meeting, that, for asset acquisition or disposal transactions prescribed in subparagraph (1) between the Company or subsidiaries of the Company's non-domestically listed companies and stakeholders with transaction amount reaching more than 10% of the Company's total assets, the Company shall first submit related materials to Annual General Meeting for approval before conducting such transactions. The Company shall be responsible for implementing requirements on matters to be submitted to Annual General Meeting for approval by subsidiaries of non-domestically listed companies.</p> <p>(2) Under considerations of the needs for comprehensive business planning between the Company</p>

Before amendment	After amendment	Reason for amendment
<p>occurrence of the current transaction. Items that have been approved by the Audit Committee and board of directors need not be counted toward the transaction amount.</p> <p>(3) With respect to the types of transactions listed below, when to be conducted between the Company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company's board of directors may pursuant to Article 4.2 and 4.3 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <p>(a) Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</p> <p>(b) Acquisition or disposal of real property right-of-use assets held for business use.</p> <p>(4) When a matter is submitted for discussion by the board of directors pursuant to paragraph 1, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p>(5) The matters for which</p>	<p>Company's board of directors may pursuant to Article 4.2 and 4.3 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <p>(a) Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</p> <p>(b) Acquisition or disposal of real property right-of-use assets held for business use.</p> <p>(3) When a matter is submitted for discussion by the board of directors pursuant to paragraph 1, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p>(4) The matters for which paragraph 1 requires review by the Audit Committee shall first be approved by more than half of all Audit Committee members and then submitted to the board of directors for a resolution, and shall be subject to mutatis mutandis application of Article 14.4 and 14.5.</p> <p>(5) In the event that the Company or a subsidiary of non-domestically listed company is engaged in transaction prescribed in subparagraph 1</p>	<p>and subsidiary or between subsidiaries as well as references of exemption regulations from aforementioned international major capital markets, it is hereby prescribed in proviso that transactions between these companies are exempted from being submitted to Annual General Meeting for resolution.</p> <p>(3) In the event that aforementioned major stakeholder transaction belongs to situations prescribed in Subparagraph 1 to Subparagraph 3, Paragraph 1, Article 185 of Company Act, resolution from Annual General Meeting shall be conducted in accordance with special resolution requirements prescribed in Article 185 of Company Act as well as aforementioned matters and related regulations in Company Act.</p> <p>Original subparagraph 2 of paragraph 2 is now moved to subparagraph 6. With the addition of subparagraph 5,</p>

Before amendment	After amendment	Reason for amendment
<p>paragraph 1 requires review by the Audit Committee shall first be approved by more than half of all Audit Committee members and then submitted to the board of directors for a resolution, and shall be subject to mutatis mutandis application of Article 14.4 and 14.5.</p> <p>3. Omitted.</p> <p>4. Omitted.</p>	<p>and transaction amount reaching more than 10% of the Company’s total assets, the Company can only enter transaction agreement and proceed with payments after materials prescribed in respective items in subparagraph 1 are submitted to Shareholders’ Meeting for approval. However, this shall not apply to transactions between the Company and subsidiaries, or between subsidiaries.</p> <p>(6) Calculation of transaction amount prescribed in subparagraph 1 and aforementioned subparagraph shall be conducted in accordance with subparagraph 2, paragraph 1 of Article 11. The so-called “within one year” shall mean and refer to one year counting back based on the date of occurrence of fact for this transaction, excluding those which have already been submitted to Audit Committee, Board of Directors and Annual General Meeting for approval in accordance with the processing procedures hereto.</p> <p>3. Omitted.</p> <p>4. Omitted.</p>	<p>subparagraph 6 is hereby amended to include calculation of transaction amount into transactions to be submitted to Annual General Meeting for approval.</p>

Before amendment	After amendment	Reason for amendment
<p>Article 11 Public Announcement Procedures:</p> <p>1. Matters for the Company’s Public Announcement:</p> <p>(1) Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days commencing immediately from the date of occurrence of the event:</p> <p>(a) Acquisition or disposal of real property or right-of-use assets from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds issued by a domestic securities investment trust enterprise (SITE).</p> <p>(b) Merger, demerger, acquisition, or transfer of shares.</p> <p>(c) Where the type of asset</p>	<p>Article 11 Public Announcement Procedures:</p> <p>1. Matters for the Company’s Public Announcement:</p> <p>(1) Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days commencing immediately from the date of occurrence of the event:</p> <p>(a) Acquisition or disposal of real property or right-of-use assets from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds issued by a domestic securities investment trust enterprise (SITE).</p> <p>(b) Merger, demerger, acquisition, or transfer of shares.</p> <p>(c) Where the type of asset</p>	<p>1. Amendment was made in accordance with the revision of “Regulations Governing with Acquisition and Disposal of Assets by Public Companies”.</p> <p>2. Amendment was made in accordance with current listed company’s exemption of announcement and report on transactions of domestic government bonds. Item 5-1, Subparagraph 1 of paragraph 1 is hereby amended accordingly. Announcement and report on transactions of international government bonds with credit ratings not lower than the domestic government bond is also exempted.</p>

Before amendment	After amendment	Reason for amendment
<p>acquired or disposed is equipment/machinery or right-of-use assets for business use, the trading counterparty is not a related party, and the transaction amount is less than NT\$500 million.</p> <p>(d) Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million.</p> <p>(e) Where an asset transaction other than any of those referred to in the preceding four subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>(i) Trading of domestic government bonds.</p> <p>(ii) Trading of bonds under repurchase/resale agreements, or subscription or redemption of domestic money market funds issued by a domestic securities investment trust enterprise (SITE).</p> <p>(2) The amount of transactions</p>	<p>acquired or disposed is equipment/machinery or right-of-use assets for business use, the trading counterparty is not a related party, and the transaction amount is less than NT\$500 million.</p> <p>(d) Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million.</p> <p>(e) Where an asset transaction other than any of those referred to in the preceding four subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>(i) Trading of domestic government bonds or international government bonds which credit rating is not lower than domestic government bonds.</p> <p>(ii) Trading of bonds under repurchase/resale agreements, or subscription or redemption of domestic money market funds issued</p>	

Before amendment	After amendment	Reason for amendment
<p>above shall be calculated as follows:</p> <p>(a) The amount of any individual transaction.</p> <p>(b) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year.</p> <p>(c) The cumulative transaction amount of real property acquisitions and disposals (cumulative acquisitions and disposals, respectively) within the same development project within the preceding year.</p> <p>(d) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.</p> <p>(3) "Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Procedures need not be counted toward the transaction amount.</p> <p>2. Omitted.</p> <p>3. Omitted.</p> <p>4. Omitted.</p> <p>5. Omitted.</p>	<p>by a domestic securities investment trust enterprise (SITE).</p> <p>(2) The amount of transactions above shall be calculated as follows:</p> <p>(a) The amount of any individual transaction.</p> <p>(b) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year.</p> <p>(c) The cumulative transaction amount of real property acquisitions and disposals (cumulative acquisitions and disposals, respectively) within the same development project within the preceding year.</p> <p>(d) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.</p> <p>(3) "Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Procedures need not be counted toward the transaction amount.</p> <p>2. Omitted.</p> <p>3. Omitted.</p> <p>4. Omitted.</p> <p>5. Omitted.</p>	

Before amendment	After amendment	Reason for amendment
<p>Article 15 Supplements: Matters not prescribed in these Procedures hereto shall be processed in accordance with related laws and the Company’s related rules and requirements. These Procedures were enacted on May 22, 1998. The 1st amendment was made on March 24, 2000. The 2nd amendment was made on May 13, 2002. The 3rd amendment was made on May 19, 2003. The 4th amendment was made on June 21, 2007. The 5th amendment was made on June 22, 2012. The 6th amendment was made on June 24, 2014. The 7th amendment was made on June 16, 2017. The 8th amendment was made on June 25, 2019.</p>	<p>Article 15 Supplements: Matters not prescribed in these Procedures hereto shall be processed in accordance with related laws and the Company’s related rules and requirements. These Procedures were enacted on May 22, 1998. The 1st amendment was made on March 24, 2000. The 2nd amendment was made on May 13, 2002. The 3rd amendment was made on May 19, 2003. The 4th amendment was made on June 21, 2007. The 5th amendment was made on June 22, 2012. The 6th amendment was made on June 24, 2014. The 7th amendment was made on June 16, 2017. The 8th amendment was made on June 25, 2019. The 9th amendment was made on May 26, 2022.</p>	<p>Adding the date of the latest amendment.</p>

VII. Appendices

Appendices 1

TTY BIOPHARM COMPANY LIMITED

Articles of Incorporation

(Prior to the amendment of year 2022 Annual General Meeting)

Chapter 1 **General Provisions**

Article 1 The Company has been named TTY Biopharm Co., Ltd. pursuant to relevant regulations set forth in the Company Act. The English name is TTY BIOPHARM COMPANY LIMITED.

Article 2 Business areas of the Company are as follows:

1. C801010 Basic Industrial Chemical Manufacturing
2. C802041 Western Medicine Manufacturing
3. F108021 Wholesale of Western Medicine
4. F208021 Retail Sale of Western Medicine
5. F108031 Wholesale of Medical Equipments
6. F208031 Retail Sale of Medical Equipments
7. C802060 Animal Use Medicine Manufacturing
8. C802070 Pesticide Manufacturing
9. C802080 Environmental Agents Manufacturing
10. C802100 Cosmetics Manufacturing
11. C804020 Industrial Rubber Products Manufacturing
12. C804990 Other Rubber Products Manufacturing
13. C901020 Glass and Glass Made Products Manufacturing
14. CF01011 Medical Materials and Equipment Manufacturing
15. F102170 Wholesale of Food and Grocery
16. F203010 Retail Sale of Food, Grocery, and Beverages
17. IG01010 Biotechnology Services
18. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval

Article 3 The Company may formulate regulations governing external endorsements/ guarantees pursuant to relevant government regulations subject to ratification by the shareholder meeting. All guarantees shall be approved by the board of directors and included in the meeting minutes of board meetings before coming into effect.

Article 4 The total reinvestment amount may exceed 40% of the paid-in capital. Reinvestment related matters shall be approved by the board of directors and included in the meeting minutes of board meetings before coming into effect.

Article 5 The Company has its domicile in Taipei City and may establish branches in other suitable locations if deemed necessary.

Article 6 Public announcements of the Company shall be handled in accordance with the regulations set forth in Article 28 of the Company Act.

Chapter 2 **Shares**

Article 7 The total capital of the Company is NT\$ 5 billion divided into 500 million shares. The par value of each share is NT\$ 10. The board of directors shall be authorized to issue these shares in subsequent offerings.

Article 8 It shall not be required to print stocks for shares issued by the Company, but shares shall be registered upon negotiation with centralized securities depository enterprises.

Article 9 Transfer, inheritance, grants, pledge, loss, or other stock related services shall be handled pursuant to the Regulations Governing the Administration of Stock Affairs by Public Companies and other relevant laws and regulations.

Article 10 Change to entitlement of shares would be ceased since 60 days prior to annual general meeting, 30 days prior to extraordinary general meeting or 5 days prior record date which decided by the company to distribute dividend, bonus or other benefit.

Chapter 3 **Shareholders Meeting**

Article 11 Annual Shareholders Meetings shall be convened by the board of directors within 6 months upon the end of the accounting year. Extraordinary Shareholders Meetings may be convened when deemed necessary in accordance with relevant laws.

Article 12 Shareholders shall be entitled to one vote per share unless relevant laws stipulate otherwise.

Article 12.1 Where shareholders are for any reason unable to personally attend shareholders meetings, they may assign a proxy by presenting a power of attorney printed and issued by the Company. Relevant matters shall be handled in accordance with the regulations set forth in Article 177 of the Company Act and the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.

Article 13 Board resolutions require the attendance of shareholders representing a majority of the issued voting shares unless relevant laws stipulate otherwise as well as the approval of the majority of the voting rights represented at the meeting.

Article 13.1 Resolution items of the shareholders meeting shall be compiled into meeting minutes with the affixed signature and seal of the chairperson. These minutes shall be distributed or made known to the shareholders per public notice within 20 days after the meeting. The meeting minutes shall specify the date, location, name of chair, resolution methods, main agenda items, and results. The minutes shall be preserved permanently. The shareholder attendance book and the powers of attorney for proxies shall be preserved for a minimum of one year. Where litigation is initiated by shareholders pursuant to Article 189 of the Company Act, said documents shall be preserved until the conclusion of litigation.

Chapter 4 **Directors**

Article 14 The Company shall appoint 7 to 11 board directors. The number of directors elected shall be determined in a board meeting. And a candidate nomination system shall be adapted and the shareholders meeting shall elect directors from the list of candidates. They shall serve for a term of three years. And They may serve consecutive terms if reelected.

At least of the aforementioned 5 to 11 directors and 20% of the aforementioned

quota shall be independent directors. The professional qualifications, shareholding ratios, concurrent appointment restrictions, nomination and election methods, and other matters for compliance shall be based on relevant regulations of the authorities in charge of securities.

- Article 14.1** When terms of directors expire prior to elections, terms may be extended until the newly elected directors assume office. The total number of inscribed stocks held by the directors of the Company shall conform to the standards prescribed in the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies made public by the competent authority.
- Article 14.2** When director vacancies account for 1/3, the board shall convene a shareholders' meeting to hold a by-election in accordance with relevant laws. Elected directors shall serve for the remainder of the original terms.
- Article 14.3** Board meetings shall be convened annually.
Directors shall be notified of the reasons for the scheduling of board meetings seven days in advance. Meetings may be convened on an ad-hoc basis in case of emergencies.
Directors shall be notified of scheduled meetings in writing, by fax, or by e-mail.
- Article 14.4** The board of directors may establish an Audit Committee, a remuneration committee, or other functional committees to meet the needs of business operations. The Audit Committee shall be composed of the independent directors. The responsibilities, organizational charter, exercise of authority, and other compliance items pertaining to the Audit Committee shall be based on relevant regulations of the authorities in charge of securities and the Company.
- Article 15** The board is composed of directors who shall elect a chairperson and vice chairperson from among their ranks. The chairperson and vice chairperson shall be elected by a majority of the board directors in attendance with an attendance rate of at least 2/3.
- Article 16** Where the chairperson is on leave or for any reason unable to exercise his/her powers, an acting chairperson shall be appointed pursuant to the regulations set forth in Article 208 of the Company Act.
- Article 16.1** Board directors shall personally attend board meetings. The assignment of proxies shall conform to the regulations set forth in Article 205 of the Company Act. Where board meetings are conducted by video conference, participation in the conference shall be viewed as personal attendance.
- Article 17** All business policies and key items of the Company shall be handled in accordance with board resolutions. All board resolutions require the attendance of a majority of board directors and approval by a majority of the directors in attendance unless relevant regulations set forth in the Company Act stipulate otherwise.
- Article 18** The Company shall arrange liability insurance for its directors to reduce the risk of litigation initiated by shareholders or other stakeholders due to the exercise of their duties in accordance with relevant laws.
- Chapter 5** **Managers**
- Article 19** The Company shall appoint managers. The appointment, dismissal, and remuneration thereof shall be handled pursuant to Article 29 of the Company Act.
- Chapter 6** **Accounting**
- Article 20** The accounting year runs from January 1 to December 31. Accounts shall be settled

at the end of every year. Upon settlement of accounts, the board of directors shall create the following documents and forms which These documents and the review report shall be submitted to the shareholders meeting for ratification in accordance with relevant laws.

1. Business report.
2. Financial statement.
3. Surplus allocation or loss make-up proposal.

Article 21 Where the Company earns annual profits, 0.5% to 10% shall be allocated as employee compensations and a maximum of 2% shall be allocated as director and supervisor compensations. Where the Company still has accumulated losses, profits shall be retained to make of for such losses.
Employee remuneration prescribed in the preceding paragraph may be distributed in the form of shares or cash. Terms and distribution measures are hereby authorized to the Board of Directors for decision. Director's remuneration shall only be distributed in the form of cash.

Article 22 Where surpluses are recorded upon annual settlement of accounts, 10% shall be appropriated as legal reserve upon payment of taxes and making up for previous losses in accordance with relevant laws unless the Legal Reserve has reached the Company's total paid-in capital. The remaining profits shall be set aside for special reserve in accordance with the laws, regulations, or the business requirements. Any further remaining profits plus unappropriated earnings shall be distributed in accordance with the proposal submitted by the Board for approval at a shareholders' meeting.

Article 23 In accordance with stock dividend allocation procedures, the board of directors shall formulate surplus distribution proposals in consideration of company profits, capital and financial structure, future business demands, accumulated surplus, legal reserves, and market competition conditions at the end of every year. These proposals shall be implemented upon resolution of the shareholders meeting.

Article 24 The Company shall adopt a dividend equalization policy to ensure a sound financial structure and safeguard investor rights and interests. A minimum of 50% of distributable surpluses in the respective year shall be distributed as stock dividends. A minimum of 70% of the allocated stock dividends in the respective year shall be distributed in form of cash dividends.

Article 25 The board of directors shall be authorized to determine the compensation for the execution of duties by board directors and supervisors 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.

Chapter 7 *Supplementary provisions*

Article 26 The organizational charter and detailed work rules shall be formulated elsewhere by the board of directors.

Article 27 Matters not specifically covered in these articles of Incorporation shall be handled pursuant to regulations set forth in the Company Act and relevant laws.

Article 28 These articles of incorporation were formulated on June 23, 1960.
They were amended for the first time on June 17, 1966.

They were amended for the second time on June 17, 1967.
They were amended for the third time on January 22, 1968.
They were amended for the fourth time on September 20, 1969.
They were amended for the fifth time on September 11, 1978.
They were amended for the sixth time on September 30, 1980.
They were amended for the seventh time on November 25, 1982.
They were amended for the eighth time on March 28, 1986.
They were amended for the ninth time on February 2, 1989.
They were amended for the tenth time on May 10, 1990.
They were amended for the eleventh time on October 12, 1991.
They were amended for the twelfth time on December 2, 1993.
They were amended for the thirteenth time on July 24, 1995.
They were amended for the fourteenth time on July 25, 1997.
They were amended for the fifteenth time on October 7, 1997.
They were amended for the sixteenth time on November 27, 1997.
They were amended for the seventeenth time on May 22, 1998.
They were amended for the eighteenth time on June 25, 1999.
They were amended for the nineteenth time on March 24, 2000.
They were amended for the twentieth time on December 22, 2000.
They were amended for the twenty-first time on June 8, 2001.
They were amended for the twenty-second time on June 8, 2001.
They were amended for the twenty-third time on May 13, 2002.
They were amended for the twenty-fourth time on May 13, 2002.
They were amended for the twenty-fifth time on May 19, 2003.
They were amended for the twenty-sixth time on May 19, 2003.
They were amended for the twenty-seventh time on June 1, 2004.
They were amended for the twenty-eighth time on June 1, 2004.
They were amended for the twenty-ninth time on June 10, 2005.
They were amended for the thirtieth time on June 14, 2006.
They were amended for the thirty-first time on June 19, 2009.
They were amended for the thirty-second time on June 25, 2010.
They were amended for the thirty-third time on June 22, 2012.
They were amended for the thirty-fourth time on June 25, 2013.
They were amended for the thirty-fifth time on June 16, 2015.
They were amended for the thirty-sixteenth time on June 24, 2016.
They were amended for the thirty- seventh time on June 16, 2017.
They were amended for the thirty-eight time on November 22, 2018
They were amended for the thirty-nine time on June 12, 2020

TTY BIOPHARM COMPANY LIMITED

CHAIRMAN OF THE BOARD: LIN, CHUAN

Appendices 2

TTY BIOPHARM COMPANY LIMITED **Procedures for Acquisition or Disposal of Assets**

(Prior to the amendment of year 2022 Annual General Meeting)

Article 1 **Legal Basis:**

These Procedures are adopted in accordance with the provisions of Article 36-1 of the Securities and Exchange Act.

Article 2 **Scope of Assets:**

The term "assets" as used in these Procedures includes the following:

1. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.
2. Real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment.
3. Memberships.
4. Patents, copyrights, trademarks, franchise rights (including drug permit license), and other intangible assets.
5. Right-of-use assets
6. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
7. Derivatives.
8. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.
9. Other major assets: Related matters of acquisition and disposal of such assets shall be processed in accordance with these Procedures hereto.

Article 3 **Definition of Terms:**

Terms used in these Procedures are defined as follows:

1. Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.
2. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or to transfer of shares from

another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Article 156, paragraph 3 of the Company Act.

3. Related party or subsidiary: As defined in the Procedures Governing the Preparation of Financial Reports by Securities Issuers.
4. Professional appraiser: Refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.
5. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.
6. Mainland China area investment: Refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Procedures Governing Permission for Investment or Technical Cooperation in the Mainland Area.
7. Securities exchange: "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.
8. Over-the-counter venue ("OTC venue", "OTC"): "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign OTC venue" refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.

Article 4 ***Operation Procedures for Acquisition or Disposal of Assets:***

1. The Company's "Internal Approval Authority Guidelines" shall prepare asset acquisition or disposal approval authority in accordance with authorized amounts and levels prescribed in these Handling Procedures hereto. Acquisition or disposal of various assets shall only be conducted after being approved in accordance with "Internal Approval Authority Guidelines."
2. Authorization Amounts and Levels:
 - (1) Acquisition or disposal of long term equities investment shall be submitted to the Board of Directors' Meeting for approval. Contents for other securities and investment amount limits shall be submitted to the Board of Directors' Meeting for approval before being executed by the

- Board Director within approved limits.
- (2) For acquisition or disposal of real property, equipment or right-of-use assets, approval from the Board of Directors' Meeting shall be obtained after acquisition or disposal is made for amount exceeding NTD5 million. As for amounts exceeding NTD10 million, prior approval from the Board of Directors' Meeting shall be obtained before being executed.
 - (3) In principle, the Company will not be engaged in acquisition or disposal of membership card or financial institution's claim trading. In the event of necessity of such trading from business needs, such trading will be submitted to the Board of Directors' Meeting for approval before related operation procedures are drafted.
3. Assessment, Operation Procedures and Implementation Unit:
- (1) For acquisition or disposal of long term equities investment, supervisors of related departments shall form an investment assessment team to conduct feasibility assessment. Acquisition or disposal of other securities shall be assessed by financial and accounting units. Financial and accounting units shall be responsible for execution after aforementioned investments have been approved in accordance with approval authority.
 - (2) With respect to acquisition of real property and equipment or right-of-use assets, demanding unit shall first prepare a capital expenditure plan and feasibility assessment, compile capital expenditure budget, and submit for approval in accordance with approval authority before executing accordingly. As for disposal of real property and equipment, utilizing unit shall fill in application form or submit for project approval, explain disposal reason and method, and forward to administration units for assessment. Disposal shall be proceeded accordingly in accordance with approval obtained.
 - (3) With respect to intangible asset or right-of-use assets, feasibility assessment shall be conducted by intellectual property units which shall then submit for approval in accordance with approval authority. Intellectual property units shall be responsible for execution after approval is obtained.
4. With respect to the Company's acquisition or disposal of assets that is subject to the approval of the board of directors under the Company's procedures or other laws or regulations, if a director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to Audit Committee.
5. When a transaction involving the acquisition or disposal of assets is submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent

director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.

6. Any transaction involving major assets or derivatives shall be approved by more than half of all Audit Committee members and submitted to the board of directors for a resolution, and shall be subject to mutatis mutandis application of Article 14.4 and 14.5. The so-called major asset transaction shall mean and refer to transaction amount reaches 20 percent of the Company's paid-in capital, 10% of total asset, or exceeds NTD300 million.

Article 5 *Price determination method and reference basis:*

1. For the acquisition or disposal of real estate or its right-of-use assets, announced present values, assessed values, or actual transaction prices of adjacent real estate properties shall serve as the main reference for the determination of transaction conditions and prices.
2. For the acquisition or disposal of equipment or its right-of use assets, price inquiries, comparison, negotiations, or invitation to tender shall be conducted by competent units.
3. The prices for marketable securities traded on securities exchanges and OTC markets shall be determined in accordance with market transaction values; where marketable securities are not traded on securities exchanges and OTC markets, investment assessment team shall comply with Paragraph 2 of Article 6 hereto and assess reasonable prices which shall serve as references for price negotiation. Price will then be determined through both parties' negotiation.
4. For the acquisition or disposal of intangibles or their right-of-use assets, prices shall be determined in consideration of useful life and impact on the company's technologies and services with reference to international or market conventions.

Article 6 *Acquisition of Expert Report:*

1. In acquiring or disposing of real property or equipment or right-of-use assets where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government institution, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:
 - (1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors, and the same procedure shall be followed for any future changes to the terms and conditions of the transaction.
 - (2) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.
 - (3) Where any one of the following circumstances applies with respect to the

professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:

- (a) The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.
 - (b) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.
- (4) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.
2. Where the Company acquires or disposes of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).
3. Where the Company acquires or disposes of intangible assets or right-of-use assets and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government institution, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the

ARDF.

4. The calculation of the transaction amounts referred to in the preceding three paragraphs shall be done in accordance with Article 11.1.(2) 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.
5. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:
 - (1) May not have previously received a final and unappeasable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.
 - (2) May not be a related party or de facto related party of any party to the transaction.
 - (3) If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.
6. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:
 - (1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
 - (2) When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.
 - (3) They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.
 - (4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations.
7. Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.

Article 7 *The Company and its subsidiaries may acquire non-business purpose real property, right-of-use assets or securities with total amount and limits for respective securities as follows:*

1. Total amount for the Company's purchase of non-business real property, right-of-use assets or securities shall not exceed 150% of the Company's paid-in capital or 100% of parent company's owner's equities from the latest financial statement, whichever is higher. Investment in individual securities shall not exceed 100% of the Company's paid-in capital. Total amount from the holding of short term investment and undisposed idle asset or real property shall not exceed the 70% of parent company's owner's equities from the Company's latest financial statement.
2. Total amount for respective subsidiary's purchase of non-business real property, right-of-use assets or securities shall not exceed 150% of respective subsidiary's paid-in capital, or 100% of parent company's owner's equities from the latest financial statement, whichever is higher. Investment in individual securities shall not exceed 100% of the respective company's paid-in capital. Total amount from the holding of short term investment and undisposed idle asset or real property shall not exceed the 70% of parent company's owner's equities from respective company's latest financial statement.

Article 8 *Related Party Transactions:*

1. When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10 percent or more of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions of the preceding Section and this Section. The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 6-4 herein. When judging whether a trading counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.
2. Assessment and Operation Procedures:
 - (1) When the Company intends to acquire or dispose of real property or right-of-use assets from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or

subscription or redemption of domestic money market funds issued by a domestic securities investment trust enterprise (SITE), the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee and board of directors.

- (a) The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.
 - (b) The reason for choosing the related party as a trading counterparty.
 - (c) With respect to the acquisition of real property or right-of-use assets from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 15 and Article 16.
 - (d) The date and price at which the related party originally acquired thereal property, the original trading counterparty, and that trading counterparty's relationship to the Company and the related party.
 - (e) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.
 - (f) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.
 - (g) Restrictive covenants and other important stipulations associated with the transaction
- (2) The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 11.1.(2) herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Audit Committee and board of directors need not be counted toward the transaction amount.
- (3) With respect to the types of transactions listed below, when to be conducted between the Company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company's board of directors may pursuant to Article 4.2 and 4.3 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:
- a. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.
 - b. Acquisition or disposal of real property right-of-use assets held for

- business use.
- (4) When a matter is submitted for discussion by the board of directors pursuant to paragraph 1, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.
 - (5) The matters for which paragraph 1 requires review by the Audit Committee shall first be approved by more than half of all Audit Committee members and then submitted to the board of directors for a resolution, and shall be subject to mutatis mutandis application of Article 14.4 and 14.5.
3. Reasonableness evaluation of the transaction costs
- (1) The Company that acquires real property or right-of-use assets from a related party shall evaluate the reasonableness of the transaction costs by the following means:
 - (a) Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the Company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.
 - (b) Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the trading counterparties.
 - (2) Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.
 - (3) The Company that acquires real property from a related party and appraises the cost of the real property in accordance with paragraph 1 and paragraph 2 shall also engage a CPA to check the appraisal and render a specific opinion.
 - (4) Where the Company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the

acquisition shall be conducted in accordance with paragraph preceding article, and the preceding three paragraphs do not apply:

- (a) The related party acquired the real property or right-of-use assets thereof through inheritance or as a gift.
 - (b) More than 5 years will have elapsed from the time the related party or right-of-use assets thereof signed the contract to obtain the real property to the signing date for the current transaction.
 - (c) The real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real property, either on the Company's own land or on rented land.
 - (d) The real property right-of-use assets for business use are acquired by the Company with its parent or subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.
- (5) Where the Company acquires real property or right-of-use assets from a related party and the results of appraisals conducted in accordance with Article 8.1 to 8.4 and 8.7 to 8.8 are uniformly lower than the transaction price, the following steps shall be taken:
- (a) A special reserve shall be set aside in accordance with Article 41, paragraph 1 of the Act against the difference between the real property transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where the Company uses the equity method to account for its investment in another company, then the special reserve called for under Article 41, paragraph of the Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company.
 - (b) Independent director members of the Audit Committee shall comply with Article 218 of the Company Act.
 - (c) Actions taken pursuant to subparagraph 1 and subparagraph 2 shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.
- (6) The Company has set aside a special reserve under the preceding paragraph may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there

was nothing unreasonable about the transaction, and the FSC has given its consent.

- (7) When the Company obtains real property or right-of-use assets from a related party, it shall also comply with the preceding 2 paragraphs if there is other evidence indicating that the acquisition was not an arm's length transaction. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:
 - (a) Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:
 - (i) Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.
 - (ii) Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.
 - (b) Where the Company acquiring real property, or obtaining real property right-of-use assets through leasing, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.
- (8) Completed transactions for neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transaction for similarly sized parcels in principle refers to transactions completed by

unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property.

4. For the calculation of 10 percent of total assets under these Procedures, the total assets stated in the most recent parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by the Company shall be used.

Article 9 *Handling Procedures for Acquisition or Disposal of Derivative Products:*

The Company has prepared separate derivative product transaction handling procedures with which shall be complied during handling of derivative products acquisition or disposal.

Article 10 *Handling Procedures for Merger, Demerger, Purchase and Transfer of Shares:*

1. When conducting a merger, demerger, acquisition, or transfer of shares, prior to convening the board of directors to resolve on the matter, the Company shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the board of directors for deliberation and passage. Nevertheless, obtainment of aforementioned expert's rationality comments may be waived in the event of the Company's merger with a subsidiary of which 100% of shares issued or total capital amount are directly or indirectly held by the Company, or merger between subsidiaries of which 100% of shares issued or total capital amount are directly or indirectly held by the Company. When participating in a merger, demerger, acquisition, or transfer of shares, the Company shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders meeting and include it along with the expert opinion referred to in paragraph 1 of the preceding Article when sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts a company from convening a shareholders meeting to approve the merger, demerger, or acquisition, this restriction shall not apply. Where the shareholders meeting of any one of the companies participating in a merger, demerger, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the companies participating in the merger, demerger or acquisition shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders meeting.

2. When participating in a merger, demerger, or acquisition, the Company shall convene a board of directors meeting and shareholders meeting on the day of the transaction to resolve matters relevant to the merger, demerger, or acquisition, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.
3. Every person participating in or privy to the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or transfer of shares.
4. When participating in a merger, demerger, acquisition, or transfer of shares, the Company may not arbitrarily alter the share exchange ratio or acquisition price unless under the below-listed circumstances, and shall stipulate the circumstances permitting alteration in the contract for the merger, demerger, acquisition, or transfer of shares:
 - (1) Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.
 - (2) An action, such as a disposal of major assets, that affects the Company's financial operations.
 - (3) An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.
 - (4) An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares from another company, buys back treasury stock.
 - (5) An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.
 - (6) Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.
5. The contract for participation by the Company in a merger, demerger, acquisition, or of shares shall record the rights and obligations of the companies participating in the merger, demerger, acquisition, or transfer of shares, and shall also record the following:
 - (1) Handling of breach of contract.
 - (2) Principles for the handling of equity-type securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or that is demerged.

- (3) The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof.
 - (4) The manner of handling changes in the number of participating entities or companies.
 - (5) Preliminary progress schedule for plan execution, and anticipated completion date.
 - (6) Scheduled date for convening the legally mandated shareholders meeting if the plan exceeds the deadline without completion, and relevant procedures.
6. After public disclosure of the information, if any company participating in the merger, demerger, acquisition, or share transfer intends further to carry out a merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders meeting has adopted a resolution authorizing the board of directors to alter the limits of authority, such participating company may be exempted from calling another shareholders meeting to resolve on the matter anew.
7. Where any of the companies participating in a merger, demerger, acquisition, or transfer of shares is not a public company, the Company shall sign an agreement with the non-public company whereby the latter is required to abide by the provisions of Article 2, Article 3, Article 6 and Article 8 and Article 10.
8. When participating in a merger, demerger, acquisition, or transfer of another company's shares, the Company shall prepare a full written record of the following information and retain it for 5 years for reference:
 - (1) Basic identification data for personnel: Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information.
 - (2) Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a board of directors meeting.
 - (3) Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of board of directors

meetings.

9. When participating in a merger, demerger, acquisition, or transfer of another company's shares, the Company shall, within 2 days commencing immediately from the date of passage of a resolution by the board of directors, report the information set out in subparagraphs 1 and 2 of the preceding paragraph to the FSC for recordation.
10. Where any of the companies participating in a merger, demerger, acquisition, or transfer of shares is not a public company, the Company shall sign an agreement with the non-public company whereby the latter is required to abide by the preceding 2 paragraphs.

Article 11 Public Announcement Procedures:

1. Matters for the Company's Public Announcement:
 - (1) Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days commencing immediately from the date of occurrence of the event:
 - (a) Acquisition or disposal of real property or right-of-use assets from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds issued by a domestic securities investment trust enterprise (SITE).
 - (b) Merger, demerger, acquisition, or transfer of shares.
 - (c) Where the type of asset acquired or disposed is equipment/machinery or right-of-use assets for business use, the trading counterparty is not a related party, and the transaction amount is less than NT\$500 million.
 - (d) Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million.
 - (e) Where an asset transaction other than any of those referred to in the preceding four subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area

reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:

- (i) Trading of domestic government bonds.
 - (ii) Trading of bonds under repurchase/resale agreements, or subscription or redemption of domestic money market funds issued by a domestic securities investment trust enterprise (SITE).
- (2) The amount of transactions above shall be calculated as follows:
- (a) The amount of any individual transaction.
 - (b) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year.
 - (c) The cumulative transaction amount of real property acquisitions and disposals (cumulative acquisitions and disposals, respectively) within the same development project within the preceding year.
 - (d) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.
- (3) “Within the preceding year” as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Procedures need not be counted toward the transaction amount.
2. Information required to be publicly announced and reported - subsidiary
- (1) For a subsidiary which is not a domestic public company and acquisition or disposal of asset meeting mandatory announcement or report standards prescribed in these Procedures, matters of announcement or report shall be conducted by parent company.
 - (2) “Meeting twenty percent of company’s paid-in capital or ten percent of total asset” prescribed in subsidiary company’s announcement & report standards shall be based on the Company’s paid-in capital or total asset.
3. Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the preceding article, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days commencing immediately from the date of occurrence of the event:
- (1) Change, termination, or rescission of a contract signed in regard to the original transaction.
 - (2) The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.
 - (3) Change to the originally publicly announced and reported information.

4. When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within 2 days after becoming aware of that fact.
5. Where the Company acquires or disposes of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the Company headquarters, where they shall be retained for 5 years except where another act provides otherwise.

Article 12 *Control Procedures for Subsidiaries' Acquisition or Disposal of Assets:*

1. Subsidiaries hereto shall stipulate asset acquisition or disposal procedures in accordance with "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."
2. In the event that the Company's subsidiary is not a domestic public company and public announcement on asset acquisition or disposal shall be made in accordance with related regulations, the Company shall make public announcement hereto accordingly.

Article 13 *Violation Punishment for Manager and Responsible Person:*

In the event of the Company's manager and responsible person's violation of handling procedures hereto, performance review shall be conducted in accordance with the Company's employee manual and punishment shall be imposed accordingly depending on the seriousness of situations.

Article 14 *Enforcement and Amendment:*

1. After the procedures have been approved by the Audit Committee and then by the board of directors, they shall be submitted to each supervisor, and then to a shareholders' meeting for approval; the same applies when the procedures are amended. If any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to Audit Committee.
2. When the procedures for the acquisition and disposal of assets are submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.
3. When the procedures for the acquisition and disposal of assets are adopted or amended they shall be approved by more than half of all Audit Committee members and submitted to the board of directors for a resolution.
4. If approval of more than half of all Audit Committee members as required in the preceding paragraph is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the

Audit Committee shall be recorded in the minutes of the board of directors meeting.

5. The terms "all Audit Committee members" in paragraph 3 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.

Article 15

Supplements:

Matters not prescribed in these Procedures hereto shall be processed in accordance with related laws and the Company's related rules and requirements.

These Procedures were enacted on May 22, 1998.

The 1st amendment was made on March 24, 2000.

The 2nd amendment was made on May 13, 2002.

The 3rd amendment was made on May 19, 2003.

The 4th amendment was made on June 21, 2007.

The 5th amendment was made on June 22, 2012.

The 6th amendment was made on June 24, 2014.

The 7th amendment was made on June 16, 2017.

The 8th amendment was made on June 25, 2019.

Appendices 3

TTY BIOPHARM COMPANY LIMITED **Rules of Procedure for Shareholders Meetings**

1. Shareholders Meetings of the Company shall be handled in accordance with these rules unless regulations set forth in relevant laws stipulate otherwise.
2. Shareholders Meetings shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. The number of shares in attendance shall be calculated based on the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.
3. Attendance and voting rights at shareholders meetings shall be calculated based on numbers of shares.
4. The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. It shall fully take independent directors' opinions on board for the venue and time of the meeting.
5. Where a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise his/her powers, the vice chairperson shall act in place of the chairperson; if the vice chairperson also is on leave or for any reason unable to exercise his/her powers, the chairperson shall appoint one of the directors to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair. Where a shareholders' meeting is convened by a person with the power to convene other than the directors, the convener shall serve as chair.
6. The Company may dispatch its attorneys, certified public accountants, or related persons to attend a shareholders' meeting. Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.
7. The shareholders meeting proceedings shall be audio or video recorded. These records shall be preserved for a minimum of one year.
8. The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement. No more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. If the quorum is not met after two postponements, 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 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 is convened by the board of directors, the meeting agenda shall be set by the board of directors. Each proposal (including extraordinary motion and amendment to

original proposal) shall be voted by shareholders individually. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda as specified in the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. Upon adjournment of meetings, shareholders shall not elect another chair to resume the meeting at the original location or a different venue.

10. Before speaking, an attending shareholder must specify on a 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 will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.
11. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the regulations set forth in the preceding paragraph or exceeds the scope of the agenda item, the chair may terminate the speech.
12. When a juristic person is commissioned to attend a shareholders 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 an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
14. When the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote given sufficient time for shareholders to cast its ballot.
15. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair. All monitoring personnel shall be shareholders of this Corporation. Counting operation for voting or election resolutions shall be conducted in an open area inside the venue of shareholders' meeting. Voting results, which include weights for calculation, should be announced on the spot upon completion of vote counting and records shall be prepared accordingly.
16. When a meeting is in progress, the chair may order a recess based on time considerations.
17. Proposals shall be approved by a majority of the voting rights of attending shareholders unless stipulated otherwise in the Company Act or the articles of incorporation. When voting is conducted, chairman or his/her designated personnel shall first announce attending shareholders' total voting weights for each proposal before shareholders start to vote for each individual proposal.
18. When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they shall be put to a vote. When any one among them is passed, the other proposals will then be

deemed rejected, and no further voting shall be required.

19. The chair may direct the proctors (or security personnel) to help maintain order at the meeting place. When proctors (or security personnel) help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."
20. These rules and all amendments thereof shall come into effect upon ratification by a Shareholders' Meeting

Appendices 4

TTY BIOPHARM COMPANY LIMITED Shareholdings of Directors

Date: March 28, 2022

Title	Name	Shares held in share register
Chairman	LIN, CHUAN	120,000
Vice Chairman	CHANG, WEN-HWA	4,409,800
Director	Dawan Technology Company Limited. Representative: CARL HSIAO	23,526,732
Director	YANG, TZE-KAING	—
Director	CHANG, HSIU-CHI	1,942,686
Director	LIAO, YING-YING	—
Independent Director	TSAI, DUEI	—
Independent Director	HSUEH, MING-LING	—
Independent Director	LIN, TIEN-FU	—

Note:

1. 248,649,959 Common Shares issued on March 28, 2022.
2. Statutory minimum shareholding requirement for all directors is 12,000,000 shares and Shares held in share register is 29,999,218 shares.



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