



Stock Code : 6535

順天醫藥生技股份有限公司

Lumosa Therapeutics Co., Ltd.

Handbook for the 2021 Annual Shareholders' Meeting

【Translation】

Meeting Time: June 10, 2021

**Place: Rm. 447, 4F., Building E, No. 19-11, Sanchong Rd., Nangang Dist., Taipei
City 115, Taiwan (R.O.C.) (Nankang Software Incubator)**

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I.Meeting Procedure

- 1.Call the Meeting to Order**
- 2.Chairperson Remarks**
- 3.Report Items**
- 4.Proposed Resolutions**
- 5.Discussions**
- 6.Directors Election**
- 7.Other Business and Special Motion**
- 8.Questions and Motions**
- 9.Adjournment**

II.Meeting Agenda

Meeting Time: 9:00 AM, June 10, 2021 (Thursday)

Place: Rm.447, 4F.,Building E, No. 19-11, Sanchong Rd., Nangang Dist., Taipei

City 115, Taiwan (R.O.C.) (Nankang Software Incubator)

Call the Meeting to Order

Chairperson Remarks

Report Items

1.

2020 Business Reports

Explanation:

The 2020 Business Report is attached as pp. 12-17, Attachment 1.

2.

Supervisor's Review Report on the 2020 Financial Statements

Explanation:

The 2020 Supervisor's Review Report is attached as pp. 18, Attachment 2.

3.

Execution status of the sound business plan for share issuance.

Explanation:

- (1) According to the Letter of number 1070334503 dated September 21, 2018, issued by the FSC, the FSC permitted the company issued shares to merge with TPG Biologics, Inc., and the company is required to submit the quarterly execution status report on sound business plan to the Board of Directors for monitoring, and to report in the shareholders' meeting.
- (2) The company terminated and entered another licensing agreement of LT1001, an Extended-Release Analgesic Injection, China rights in 2019 and the new partner set new development plan, resulted in low achievement rate of operating revenue and profit of 2020. The achievement rate of administrative expense was 63.6%, mainly due to reduced personnel costs. The achievement rate of R&D expenses was 68.4%, mainly due to the delay of clinical trial expenditures for the LT3001 stroke project. In summary, the achievement rate of pre-tax loss was 81.7%.

4.

Execution status of the resolution for issuance of common shares for cash in private placement in 2020

Explanation:

Lumosa 2020 annual Shareholders' Meeting held on June 9, 2020, approved to issue common shares for cash in private placement not to exceed 70,000,000 shares and it is expected to be handled once or twice within one year from the date of the resolution of the shareholders meeting. The company issued 29,500,000 common shares in 2020 and 3,448,000 common shares in 2021, the remaining balance of 37,052,000 shares will not be processed.

5.

The company's loss reached one-half of the paid-in capital

Explanation:

As of December 31, 2020, the company had accumulated losses of NT\$857,382,107. The loss had reached one-half of the paid-in capital of NT\$1,473,448,250. It was reported to the shareholders meeting in accordance with Article 211 of the Company Law.

Proposed Resolutions

1.

Adoption of the 2020 Business Report and Financial Statements (Proposed by the Board)

Explanation:

- (1) Lumosa's Financial Statements, including the balance sheets, statements of comprehensive income, statements of changes in equity, and statements of cash flows, were audited by independent auditors, Shu-Fen, Yu and Sheng-Wei, Teng of PricewaterhouseCoopers,. Also, Business Report and Financial Statements have been approved by the Board and examined by the supervisors.
- (2) The 2020 Business Report, independent auditors' audit report, and the above-mentioned Financial Statements are attached as pp. 12-17, Attachment 1, and pp. 19-28, Attachment 3.

Resolution:

2.

Adoption of the Proposal for 2020 Deficit Compensation (Proposed by the Board)

Explanation:

Please refer to the 2020 Deficit Compensation Statement as follows:

Lumosa Therapeutics Co., Ltd.
Deficit Compensation Statement
2020

Items	Total(Unit: NTD\$)
Deficit yet to be compensated of prior years	(534,817,948)
(-): 2020 net loss	(322,564,159)
Deficit yet to be compensated at the end of 2020	(857,382,107)

Resolution:**Discussions**

1.

Amendments to the Articles of Incorporation (Proposed by the Board)**Explanation:**

In accordance with the company's establishment of the audit committee and operational needs, the "Articles of Incorporation " is proposed to amend. The comparison table is attached as pp. 29-36, Attachment 4.

Resolution:

2.

Amendment to the Rules for Election of Directors and Supervisors (Proposed by the Board)**Explanation:**

In accordance with the company's establishment of the audit committee, the " Rules for Election of Directors and Supervisors " is proposed to amend and rename the " Rules for Election of Directors ". The comparison table is attached as pp. 37-45, Attachment 5.

Resolution:

3.

Amendment to the Procedures for Acquisition or Disposal of Assets (Proposed by the Board)**Explanation:**

In accordance with the company's establishment of the audit committee, the "Procedures for Acquisition or Disposal of Assets" is proposed to amend. The comparison table is attached as pp. 46-49, Attachment 6.

Resolution:

4.

Amendment to the Operational Procedures for Loaning of Funds, Endorsements and Guarantees (Proposed by the Board)

Explanation:

In accordance with the company's establishment of the audit committee, the " Operational Procedures for Loaning of Funds, Endorsements and Guarantees " is proposed to amend and rename " Procedures for Loaning of Funds, Endorsement and Guarantees ". The comparison table is attached as pp. 50-53, Attachment 7.

Resolution:

5.

To approve the issuance of common shares for cash in private placement (Proposed by the Board)

Explanation:

(1) In order to enrich working capital and have sound financial structure, by taking into account timeless and issuance cost of fundraising, Lumosa plans to issue common stock for cash in private placement depending on the market conditions and Lumosa's capital need.

A. Shares issued through private placement: Up to 60,000,000 shares

B. Par value per share: NT\$ 10

C. Total private placement amounts: Depends on actual issue price and actual number of shares issued.

(2) In accordance with Article 43-6 of the Securities and Exchange Act, matters to be described as below:

A. The pricing basis and reasonableness of private placement:

Reference price shall be the higher of the following two calculations:

(A) 1-day, 3-day, or 5-day simple average market closing price prior to pricing date, minus dividends, plus any de-capitalization.

(B) 30-day simple average market closing price prior to pricing date, minus dividends, plus any de-capitalization.

The price of the private placement would be set on the basis not lower than 80% of the higher price of the methods above mentioned. Actual price for private placement shall not less than the range decided by the Annual Shareholder's meeting. Lumosa's Board of Directors will be authorized to determine the price based on the laws and regulations currently and market conditions and will make an announcement within two days of setting the

price.

B. Selection method of the Specific Investors

The Company will execute the private placement with the special investors conforming to Article 43-6 of the Securities and Exchange Act, SFB June 13, 2002 Explanation of 0910003455, Article 4, paragraph 2 of Directions for Public Companies Conducting Private Placements of Securities.

(A) Insiders and related parties of the Company expected to participate in private placement are listed in the following table. Other investors who are not insiders and related parties will be announced after determination.

	Placee	Relationship with the company
1	Chang-Hai Tsai	Chairman
2	Center Laboratories, Inc.	Director
3	BioEngine Technology Development Inc.	Director
4	順晟藥品有限公司	Director
5	LeJean Biotech Co., Ltd.	Supervisor
6	Jung-Chin Lin	President & CEO /Director, Representative of Center Laboratories, Inc.
7	Wann-Lai Cheng	Director, Representative of Center Laboratories, Inc.
8	De-Fu Hsieh	Director, Representative of 順晟藥品有限公司
9	Syue-Ling Wang	Supervisor
10	Yi-Syong Jhang	Supervisor
11	Jhieh-Guang Jhou	Managerial officer
12	Sin-Yi Jhuang	Managerial officer
13	Nai-Jing Liou	Managerial officer
14	Shu-Hua Li	Managerial officer
15	Li-Fang Pan	Managerial officer
16	Sheng-Wen Yeh	Managerial officer

Above placees have already know the business status of the Company who can direct or indirectly improve the Company' future business performance. Other information please refer to the Chinese version Handbook.

(B) Strategic investors

I. Method and purpose

The places who can provide their business management experience, assist the Company to develop New Drug projects, to license in or out projects, and add future value of the Company.

II. Necessity and Expected benefits

New drug development requires long process, vast investments and with no guarantee in success which may pose investment risks. Suitable strategic investors can assist the Company in licensing in and developing New Drug projects, diversing risks, and benefit long-term operation.

C. The necessity of private placement

(A) Reasons for conducting non-public offerings: After considering factors such as capital market conditions, timeliness, feasibility, issuance cost of fundraising for private placement, and restrictions that private shares can't be freely transferred within three years, etc. Private placement can ensure and strengthen strategic partnership in a long-term relationship. Therefore, Lumosa chose private placement instead of public offering.

(B) Total amount of the private placement

Lumosa's Board of Directors will be authorized to execute the private placement once or twice after the Annual Shareholders' Meeting.

If the Board of Directors decides to execute the private placement at once, it will not exceed 60,000,000 shares. If the Board of Directors decides to execute the private placement at twice, the first numbers of private shares will not exceed 40,000,000 shares, the second numbers of private shares will not exceed 20,000,000 shares.

(C) Use of the funds raised in the private placement: To increase working capital to meet the Company's long-term development needs.

(D) Expected benefits of conducting private placement: This plan can intensify the competitiveness of the Company, improve the operating efficiency, have sound financial structure, and may have positive impact for shareholders' interests.

(3) The impact of this private placement case on the company's operating rights:

The company's operating rights are stable, so the private placement should not have a significant impact on the company's operating rights.

- (4) All the rights and obligations shall be the same as those applicable to outstanding common shares already issued by Lumosa, except for the limitation under the Article 43-8 of the Securities and Exchange Act which regulates that except under some circumstances the privately placed shares may not resell within 3 years since delivery date. After three years from the delivery date, the Company should apply re-issuance of the public offering of private placement and application for the transaction with the Taipei Exchange.
- (5) Details of the private placement, excluding the price determination ratio, are proposed to authorize the Company's Board of Directors to determine actual issue shares and price, issue terms and conditions, project items, use of fund and progress, expected benefits, and any other items related to plan based on the market condition. It is also proposed to authorize the Company's Board of Directors to make modification in response to orders from the competent authority, business assessment or environment changes from subjective points of views.

Resolution:

Directors Election

1.

To elect nine Directors (including three Independent Directors)

Explanation:

- (1) The term of office of the current directors and supervisors expired on June 13, 2021. In conjunction with the shareholders meeting, it is now planned to be fully re-elected. The original directors and supervisors will be dismissed after the new directors are elected.
- (2) The company will establish an audit committee in accordance with the provisions of the Securities and Exchange Law, and no longer has supervisors in accordance with the law, and the audit committee is composed of all independent directors.
- (3) According to Article 14 of the company's articles of incorporation, nine directors (including three independent directors) shall be elected for a term of office from June 10, 2021 to June 9, 2024. The term of office is three years. After the election, the function of supervisors will be replaced by the audit committee.
- (4) Lumosa' directors shall be elected by adopting candidates nomination system. The list of candidates for directors and independent directors was reviewed and

approved by the company's board of directors on April 27, 2021. The list of candidates for directors and independent directors, is attached as pp. 54-57, Attachment 8.

Election result :

Other Business and Special Motions

1.

To release the prohibition on directors or its representatives from participation in competitive business. (Proposed by the Board)

Explanation:

- (1) In accordance with Article 209 of the Company Act, a director or its representatives, who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
- (2) It is proposed to release the prohibition on the following director from participation in the competitive business.

Position	Name	Participation in Competitive Business
Director	Jung Chin Lin Representative of Center Laboratories, Inc.	Center Laboratories, Inc. Chairman (Representative) Mycenax Biotech Inc. Chairman (Representative) Adimmune Corporation Director (Representative) BioGend Therapeutics Co.,Ltd. Director (Representative) Glac biotech Co.,Ltd Chairman (Representative) Bioengine Capital Inc. Chairman (Representative) BioEngine Technology Development Inc. Chairman (Representative) BRIM Biotechnology, Inc. Director (Representative) 歐室食品(股)公司 Chairman Ausnutria Dairy (Taiwan) Nutrition & Health Sciences Corporation Chairman (Representative) Youluck International Inc.Chairman (Representative) 翔湧生技管理顧問(股)公司 Director 北京順都藥物研究所有限公司 Director BIOFLAG INTERNATIONAL CORPORATION (Cayman) Director (Representative) O'LONG ENTERPRISES LIMITED(BVI) Chairman Centerlab Investment Holding Limited(HK) Chairman Center Laboratories Limited(HK) Chairman BioEngine Capital Holding Limited(HK) Chairman BioEngine Investment Holding Limited(HK) Chairman
Director	Wann Lai Cheng	永鍊(股)公司 Chairman

Position	Name	Participation in Competitive Business
	Representative of Center Laboratories, Inc.	Browave Corporation Chairman Powertech Technology Inc. Independent director Center Laboratories, Inc. Director Mycenax Biotech Inc. Director (Representative) Glac biotech Co.,Ltd. Director (Representative) Bioengine Capital Inc. Director (Representative) BioEngine Technology Development Inc. Director (Representative) Lumosa Therapeutics Co., Ltd.(Cayman) Chairman Lumosa Therapeutics Co., Ltd Chairman
Director	BioEngine Technology Development Inc.	Bioengine Capital Inc. Directors
Director	Chung Hao Tasi	China Medical University Hospital Neurology Director-General COLLEGE OF MEDICINE, CHINA MEDICAL UNIVERSITY DEAN 台灣動作障礙學會理事長 國際巴金森暨動作障礙學會亞太區執行理事
Director	Hsueh Ling Wang	Sun Ten Pharmaceutical Co., Ltd Vice Chairman (Representative) SUN TEN NATURECEUTICA CO., LTD. Director (Representative) 和利展業有限公司 Chairman SUNBEAUS LIMITED COMPANY Chairman (Representative) 順天國際投資(股)公司 Director HERBIOTEK CO., LTD. Director (Representative)
Independent director	Chih Hsiung Wu	MEDEON BIODESIGN, INC. Director representative En Chu Kong Hospital CEO En Chu Kong Hospital Superintendent Taipei Medical University Chair Professor Taipei Medical University Director
Independent director	Hai I Ma	BioGend Therapeutics Co.,Ltd. Independent director FORMOSA PHARMACEUTICALS , INC. Director 美國維梧資本創業投資公司合夥人 OBIGEN PHARMA, INC. Director (Representative) 國家衛生研究院諮詢委員 台灣生物產業發展協會常務理事及產業委員會主任委員
Independent director	Chih Yung Chin	立全國際會計師事務所所長 SPACE SHUTTLE HI-TECH CO.,LTD. Independent director

Resolution:

Questions and Motions

Adjournment

III.Attachment

1.Business Report

2020 Annual Report

Lumosa strives to be the leading biotechnological innovator in Taiwan by continuing to invest resources in the development of novel treatments to address urgent and unmet medical needs against diseases that threaten human lives and to improve patient's overall quality of life. We focus on product commercialization during the R&D phase and throughout company operations. With the use of various strategies, the company heads to be one of the top pharmaceutical R&D companies with sound financial health, proper risk management, and in-licensing sustainable pipelines.

Management Guideline

To make the best use of limited resources and time, Lumosa searches for drug candidates with strong scientific rationale and a high commercial potential for development. The company is actively in search of global partners to form strategic alliances in licensing, co-development, or joint venture, to minimize risks involved in new drug development and accelerate the product marketing.

2020 Operational Highlights

Implementation Status

Since its introduction in Taiwan in 2017, the sales volume of Naldebain® (LT1001 extended-release analgesic injection) has increased steadily each year. To establish a stable operational income, Lumosa partners with AMed to expand the indications through additional post-market clinical trials, from hemorrhoidectomy to obstetrics (caesarian section), gynecology, laparoscopy, and orthopedics. Lumosa also works with AMed in obtaining drug approvals from health authorities in Southeast Asian countries. LT1001 made its first step of entering the global market when Singapore's HSA granted market approval in December 2020. Jemincare, our partner for LT1001 in China, has completed the protocol design for the Phase 3 trial and has received approval from the National Medical Products Administration (NMPA) of China in 2020. The company is planning to initiate the efficacy and safety validation on patients receiving open-abdomen surgery in 2021.

The Phase 2 single-dose clinical trial for LT3001 for the treatment of acute ischemic stroke in Taiwan and the US was completed in December of 2020; the clinical study report is expected to be completed by the third quarter of 2021. Further, Lumosa is planning to conduct a multiple-dose trial on stroke patients during the acute and post-acute stages to expand stroke treatment methodology, taking the advantage of the drug’s potential in blood flow reperfusion and neuroprotection. The protocol for the Phase 1 multiple-dose trial was approved by the US FDA in December 2020, the study will commence soon after. Lumosa’s partner in China, Shanghai Pharmaceuticals, has aggressively initiated the IND process after receiving the development and commercial rights of LT3001 in China in November 2019. In September 2020, the National Medical Products Administration approved the Phase 1 study and the first patient was enrolled in January 2021. In addition, having a separate trial in China will share development risks, and the different dosing regimens will also help identify the optimal dosing to accelerate the timeline for Phase 3 and increase the success rate of the trial.

All the pre-clinical studies required for the IND for LT5001, treatment for uremic pruritus, were completed by 2020 and received approval from Taiwan FDA. Lumosa is conducting the Phase 1B (Part A) trial on dialysis patients to assess human safety and pharmacokinetic parameters, as well as observing the anti-pruritic effect. The results from the Part A study will be considered for the modification of Part B protocol, adjusting the Phase 2 clinical design based on the results of the efficacy validation.

Operational Plan Implementation Results and Budget Execution

The major income for Lumosa in 2019 is from the sales of Naldebain®. The gross profit is 13,157 thousand New Taiwan dollars (or approximately 463 thousand US dollars). The operational loss in 2020 is 341,555 thousand New Taiwan dollars (or approximately 12,008 thousand US dollars) as Lumosa continues to invest in R&D. The total asset by December 31, 2020, is 1,784,317 thousand dollars (or approximately 62,732 thousand US dollars) with a debt balance of 201,628 thousand dollars (or approximately 7,089 US dollars); 1,429,616 thousand dollars (or approximately 50,262 thousand US dollars) are in the forms of cash, timed deposits, and marketable securities. The financial structure is sound and healthy.

Item	2019	2020
Return on assets (%)	(17.72)	(20.75)
Return on equity (%)	(20.78)	(24.54)

Net profit before tax to paid-in capital ratio (%)	(19.24)	(21.89)
Net profit rate (%)	(140.04)	(1,489.83)
Earnings per share (NT\$)	(2.05)	(2.67)

Current Research and Development Status

LT1001 Extended-release analgesic injection:

Lumosa continues to assist our partners in the IND or NDA process for the respective licensed regions of the world to accelerate product marketing. Further, plans to improve production costs are underway. We expect to achieve commercial value for the analgesic (including animal pain management) and uremic pruritus through future global sales.

LT3001 Treatment for acute ischemic stroke:

Lumosa and Shanghai Pharmaceutical each are responsible for the multiple dosing clinical trial conducted internationally (not including China) and in China, respectively; the companies will share trial data.

LT5001 Uremic pruritus

The project stems out from the product lifecycle management of LT1001, the extended-release analgesic injection. Lumosa is conducting a Phase 1B (Part A) clinical trial in Taiwan and will use the results to make adjustments in the protocols for the Phase 2 trial (Part B).

LT2003 Novel anti-cancer targeting protein

Lumosa has completed the initial scale-up process and will continue to optimize the manufacturing process, batch scale-up, and produce clinical batches.

In terms of intellectual protection, LT1001, the extended-release analgesic injection received the formulation patent from Taiwan in August 2020. In other regions besides Taiwan, Russia, and the US, patent applications were submitted and are under review in European Union, China, Japan, and 19 other major pharmaceutical markets. The new drug patent for LT3001, treatment for acute ischemic stroke, was granted in Taiwan, the US, China, Russia, Indonesia, Australia, Japan, Mexico, Philippines, Malaysia, South Africa, Vietnam, Korea, and Europe; the application is being reviewed in four additional countries. Lumosa will continue the product lifecycle management to extend patent expiration and enhance product licensing

value. We will actively collaborate with academic and research institutes in search of potential early-stage candidates for development to reduce in-licensing costs and strengthen market competitiveness.

2021 Business Summary

Expected Sales Volume and Its Basis in 2021

The operational model implemented by Lumosa is to invest and add value to the asset, then search for domestic or international pharmaceutical companies or distributors at an appropriate time for out-licensing, co-development, or forming a joint venture, and attain revenues for the company. These incomes may be from licensing fees, such as upfront or milestone payments, and royalties or sales of the product. All Lumosa pipelines are currently in process of licensing discussions. Among these, the licensing of LT1001 in the US and Europe will commence after the completion of the Phase 1 trial in the US; the result of this study will also facilitate future pivotal studies in other regions in the future. For countries outside of the US and Europe, the priority is to out-license the pipelines to partners that can take the lead in the market approval process in the countries that accept the current dossiers we have and generate cash flow quickly. Lumosa has initiated a global licensing strategy in regions outside of China for LT3001; we have reached out to the top ten international pharmaceutical companies to ensure that the trial design and timeline meet the possible licensing terms in the future. Lumosa will initiate licensing activity for LT5001 after the Phase 1B study (Part A) is completed in Taiwan.

Production and Sales Policy

1. Establish a top R&D team and stringent project management system. Advancing new drug development and the nurture talented employees through two-way integration of professional functions and project management.
2. Utilize knowledge in new drug development and efficient business tools and process
3. Select academic and industrial partners strategically to ensure the upper and lower value chain are well connected.
4. Collaborate with selected CROs/CMOs closely to accelerate the R&D program.
5. Fortify intellectual property and develop technological platforms
6. Inspect if the business goal can be achieved with the operational model through

the accomplishment of milestones; adjustments are made if needed.

7. Prioritize the development of new drugs with the following characteristics:
 - (1) Resolve unmet medical needs
 - (2) Possible licensing opportunities in the near term
 - (3) Higher pharmacoeconomics or return on investment
8. Generate positive cash flow through patent licensing and business development from the R&D results of early-stage assets
9. Sound international licensing capabilities and flexible licensing strategy to strive for the best licensing, distribution, or collaboration contracts.
10. Continuing improvement plan for the cost of goods (COGs) to strengthen product market compatibility.

Future Development Strategy

Lumosa's vision is to become the safe harbor for Taiwan's innovative new drug development through its rSD development strategy, and ultimately, be a top-notch international biotech firm. Lumosa is a new drug development company with a successful pipeline consisted of large and small molecules. Through the "Search and Development" operational model, adequate risk management, excellent candidate selection and development capabilities, Lumosa selects candidates with commercial potential and controlled risks to address the diseases with unmet medical needs, and develop the pipeline with the mindset of starting from the end, we strive to become the best partner for domestic and international academic institutions, research organizations, and industrial companies. Lumosa aims to be a global new drug development company taking its roots in Taiwan with sustainable product lines and pipelines.

Impacts from External Competitive, Legal and Overall Operational Environments

The challenges in new drug development have become ever harsh. However, with the arrival of an aging society and universal health insurance, the demand for new drugs is still strong. International merging and acquisition among the pharmaceutical companies are still growing strong and with the record-breaking amount. The regulation between different countries are becoming more uniform with the expansion of ICH members and is an advantage for Lumosa who is familiar with different regulations. Besides, the Taiwanese government is implementing policies that encourage companies in the development of the biotech field. Lumosa continues to make the best use of its experiences and advantages in the industry to develop new drugs with high market demand, maximizing product

value by exploring new indications and formulations and implementing product lifecycle management. Furthermore, through strategic alliances, Lumosa will collaborate with international partners in various regions to accelerate product development. At the same time, Lumosa will in-license products with great development potential through agile and quick use of licensing and collaboration strategy and minimum spending in resources. The company balances the risks in new drug development while maintaining a sound financial standing to provide solutions to diseases without ideal treatments, to improve patients' quality of life, to generate maximum revenue for the company, investors, and employees, and to benefit human well-being.

2. Supervisor's Review Report

Supervisor's Review Report

The Board of Directors has prepared the Company's 2020 Business Report, Financial Statements, and Deficit Compensation. The foresaid Financial Statements and Consolidated Financial Statements have been audited and the unqualified audit report has been issued by the independent auditors, Yu, Shu-Fen and Sheng-Wei of PricewaterhouseCoopers.

The Business Report, Financial Statements, Consolidated Financial Statements, and Deficit Compensation have been reviewed and determined to be correct and accurate by the supervisors of Lumosa Therapeutics Co., Ltd. According to Article 219 of the Company Act, we hereby submit this report.

Lumosa Therapeutics Co., Ltd.

Supervisor Hsueh-Lin Wang

Supervisor Yi-Hsiung Chang

Supervisor Representative of LeJean Biotech Co., Ltd.
I-Chi Kao

March 11, 2021

3.Independent Auditors’ Report and 2020 Consolidated Financial Statements



INDEPENDENT AUDITORS’ REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Lumosa Therapeutics Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Lumosa Therapeutics Co., Ltd. and its subsidiaries (the “Group”) as at December 31, 2020 and 2019, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2020 and 2019, 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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audit of the consolidated financial statements as at and for the year ended December 31, 2020 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards in the Republic of China; and in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, Rule No. Financial-Supervisory-Securities-Auditing-1090360805 issued by the Financial Supervisory Commission on February 25, 2020 and generally accepted auditing standards in the Republic of China for our audit of the consolidated financial statements as at and for the year ended December 31, 2019. Our responsibilities under those standards are further described in the *Independent auditors’ responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2020 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2020 consolidated financial statements are stated as follows:

Appropriateness of licencing revenue recognition

Description

Refer to Note 4(22) for accounting policies on licencing revenue and Note 6(16) for details of licencing revenue.

The licencing revenue, service revenue and sales revenue are the main revenue sources of the Group for the year ended December 31, 2020. For licencing revenue, revenue is recognised based on the terms of the agreement with the licenced party. The Group recognises licencing revenue once all the criteria for the revenue recognition are met, which involves management's subjective judgement based on the agreements. Thus, we consider the appropriateness of licencing revenue recognition a key audit matter.

How our audit addressed the matter

Our audit procedures performed in respect of the above key audit matter included:

1. Discussing with the management about the policies on recognition of licencing revenue and confirming whether the recognition of licencing revenue has been properly calculated, reviewed and approved.
2. Inspecting whether licencing revenue is supported with an agreement and other related documents and examining the terms and conditions of licence agreement to assess the accuracy of revenue recognition, the legitimacy of accounting process and the appropriateness of the timing of revenue recognition.

Impairment assessment of intangible assets arising from merger

Description

Refer to Note 4(15) for accounting policies on impairment assessment of non-financial assets, Note 5 for the uncertainty of accounting estimates and assumptions related to impairment of intangible assets and Note 6(7) for details of intangible assets.

The Group considers internal and external information in determining whether the intangible assets and goodwill acquired from merger are impaired at the balance sheet date. The assets' recoverable amounts and appraisal report prepared by the commissioned external appraiser expert will be used in assessing whether there is any indicator of impairment. As the assessment performed by management involves critical judgement and it will have a significant impact on the value, we consider the impairment assessment of intangible assets arising from merger as one of the key audit matters.

How our audit addressed the matter

Our audit procedures performed in respect of the above key audit matter included:

1. Assessing the valuation model used by the management on the impairment assessment of intangible assets.
2. Assessing the competence and objectivity of the external expert commissioned by management.
3. Our audit procedures performed also included:
 - a. Reviewing whether the valuation models used in intangible asset appraisal report used by the commissioned external appraiser expert are reasonable for the industry and the Group's assets which are assessed for impairment.
 - b. Assessing whether the future cash flows and each cash-generating unit adopted in the valuation models are consistent with the operation plans.
 - c. Assessing the reasonableness of major assumptions used such as estimated growth rate, gross rate and discount rate.
 - d. Comparing the recoverable amount and book value of each cash-generating unit.

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion on the parent company only financial statements of Lumosa Therapeutics Co., Ltd. as at and for the years ended December 31, 2020 and 2019.

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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of 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 supervisors, are responsible for overseeing the Group's financial reporting process.

Independent auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the generally accepted auditing standards 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 the generally accepted auditing standards 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 auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient 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.

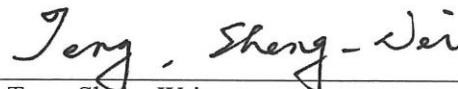
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 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.



Yu, Shu-Fen



Teng, Sheng-Wei

For and on behalf of PricewaterhouseCoopers, Taiwan
March 11, 2021

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such consolidated financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the consolidated financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

LUMOSA THERAPEUTICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Assets	Notes	December 31, 2020		December 31, 2019		
		AMOUNT	%	AMOUNT	%	
Current Assets						
1100	Cash	6(1)	\$ 898,637	50	\$ 168,803	13
1136	Financial assets at amortised cost - current	6(3)	372,261	21	456,204	34
1170	Accounts receivable, net	6(4) and 7	13,838	1	289,059	22
1200	Other receivables	7	956	-	17,460	1
1220	Current tax assets		15,427	1	2,105	-
130X	Inventory		31,775	2	23,998	2
1410	Prepayments		13,649	-	5,972	1
1470	Other current assets		21	-	1,796	-
11XX	Total current assets		<u>1,346,564</u>	<u>75</u>	<u>965,397</u>	<u>73</u>
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	246,718	14	145,107	11
1600	Property, plant and equipment	6(5)	2,589	-	5,139	-
1755	Right-of-use assets	6(6) and 7	16,910	1	11,606	1
1780	Intangible assets	6(7)	171,213	10	196,739	15
1900	Other non-current assets		323	-	323	-
15XX	Total non-current assets		<u>437,753</u>	<u>25</u>	<u>358,914</u>	<u>27</u>
1XXX	Total assets		<u>\$ 1,784,317</u>	<u>100</u>	<u>\$ 1,324,311</u>	<u>100</u>
Liabilities and Equity						
Current liabilities						
2130	Contract liabilities - current	6(16)	\$ 320	-	\$ -	-
2170	Accounts payable		30	-	7,840	1
2200	Other payables	6(8)	31,624	2	90,438	7
2230	Current tax liabilities		-	-	13,565	1
2280	Lease liabilities - current	6(25) and 7	5,825	-	7,444	1
2365	Refund liabilities - current	6(9)	151,130	9	151,130	11
2399	Other current liabilities		1,573	-	3,750	-
21XX	Total current liabilities		<u>190,502</u>	<u>11</u>	<u>274,167</u>	<u>21</u>
Non-current liabilities						
2580	Lease liabilities - non-current	6(25) and 7	11,126	-	4,268	-
2XXX	Total liabilities		<u>201,628</u>	<u>11</u>	<u>278,435</u>	<u>21</u>
Equity attributable to shareholders of the parent						
Equity						
Share capital						
3110	Common share	6(12)	1,473,748	83	1,175,648	89
Capital surplus						
3200	Capital surplus	6(13)	963,363	54	402,088	30
Retained earnings						
3350	Deficit yet to be compensated	6(14)	(857,382)	(48)	(534,818)	(40)
Other equity interest						
3400	Other equity interest	6(15)	2,960	-	2,958	-
3XXX	Total equity		<u>1,582,689</u>	<u>89</u>	<u>1,045,876</u>	<u>79</u>
Significant contingent liabilities and unrecognised contract commitments						
Significant events after the balance sheet date						
3X2X	Total liabilities and equity		<u>\$ 1,784,317</u>	<u>100</u>	<u>\$ 1,324,311</u>	<u>100</u>

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

LUMOSA THERAPEUTICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT LOSS PER SHARE DATA)

Items	Notes	For the years ended December 31,				
		2020		2019		
		AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(16) and 7	\$ 21,651	100	\$ 172,044	100
5000	Operating costs	6(10)(20)(21)	(8,494)	(39)	(28,640)	(17)
5900	Gross profit		13,157	61	143,404	83
	Operating expenses	6(5)(6)(7)(10)(11) (20)(21) and 7				
6100	Selling expenses		(14,161)	(66)	(18,560)	(11)
6200	General and administrative expenses		(23,507)	(109)	(36,990)	(21)
6300	Research and development expenses		(317,044)	(1464)	(237,817)	(138)
6000	Total operating expenses		(354,712)	(1639)	(293,367)	(170)
6900	Operating loss		(341,555)	(1578)	(149,963)	(87)
	Non-operating income and expenses					
7100	Interest income	6(3)(17)	3,413	16	7,264	4
7010	Other income	6(18)	2,823	13	1,214	1
7020	Other gains and losses	6(2)(6)(19) and 7	12,906	60	(84,495)	(49)
7050	Finance costs	6(6) and 7	(151)	(1)	(271)	-
7000	Total non-operating income and expenses		18,991	88	(76,288)	(44)
7900	Loss before income tax		(322,564)	(1490)	(226,251)	(131)
7950	Income tax expense	6(22)	-	-	(14,687)	(9)
8200	Loss for the year		<u>(\$ 322,564)</u>	<u>(1490)</u>	<u>(\$ 240,938)</u>	<u>(140)</u>
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	6(15)	\$ 2	-	(\$ 8)	-
8300	Other comprehensive loss for the year		<u>\$ 2</u>	<u>-</u>	<u>(\$ 8)</u>	<u>-</u>
8500	Total comprehensive loss for the year		<u>(\$ 322,562)</u>	<u>(1490)</u>	<u>(\$ 240,946)</u>	<u>(140)</u>
	Loss attributable to:					
8610	Shareholders of the parent		<u>(\$ 322,564)</u>	<u>(1490)</u>	<u>(\$ 240,938)</u>	<u>(140)</u>
	Comprehensive loss attributable to:					
8710	Shareholders of the parent		<u>(\$ 322,562)</u>	<u>(1490)</u>	<u>(\$ 240,946)</u>	<u>(140)</u>
	Loss per share (in dollars)	6(23)				
9750	Basic loss per share		<u>(\$ 2.67)</u>	<u>(\$ 2.05)</u>		
9850	Diluted loss per share		<u>(\$ 2.67)</u>	<u>(\$ 2.05)</u>		

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

LUMOSA THERAPEUTICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Equity attributable to shareholders of the parent						Other Equity Interest Financial statements translation differences of foreign operations	Total equity
	Notes	Capital Surplus				Deficit yet to be compensated		
		Common share	Share premium	Employee stock options	Others			
<u>For the year ended December 31, 2019</u>								
Balance at January 1, 2019		\$ 1,165,136	\$ 392,156	\$ 6,764	\$ -	(\$ 293,880)	\$ 2,966	\$ 1,273,142
Loss for the year		-	-	-	-	(240,938)	-	(240,938)
Other comprehensive loss for the year	6(15)	-	-	-	-	-	(8)	(8)
Total comprehensive loss		-	-	-	-	(240,938)	(8)	(240,946)
Compensation cost of employee stock options	6(11)	-	-	96	-	-	-	96
Employee stock options exercised	6(11)(12)	10,512	5,932	(2,860)	-	-	-	13,584
Employee stock options forfeited	6(11)	-	-	(164)	164	-	-	-
Balance at December 31, 2019		<u>\$ 1,175,648</u>	<u>\$ 398,088</u>	<u>\$ 3,836</u>	<u>\$ 164</u>	<u>(\$ 534,818)</u>	<u>\$ 2,958</u>	<u>\$ 1,045,876</u>
<u>For the year ended December 31, 2020</u>								
Balance at January 1, 2020		<u>\$ 1,175,648</u>	<u>\$ 398,088</u>	<u>\$ 3,836</u>	<u>\$ 164</u>	<u>(\$ 534,818)</u>	<u>\$ 2,958</u>	<u>\$ 1,045,876</u>
Loss for the year		-	-	-	-	(322,564)	-	(322,564)
Other comprehensive income for the year	6(15)	-	-	-	-	-	2	2
Total comprehensive loss		-	-	-	-	(322,564)	2	(322,564)
Cash capital increase - private placement	6(12)	295,000	560,500	-	-	-	-	855,500
Employee stock options exercised	6(11)(12)	3,100	2,043	(1,268)	-	-	-	3,875
Balance at December 31, 2020		<u>\$ 1,473,748</u>	<u>\$ 960,631</u>	<u>\$ 2,568</u>	<u>\$ 164</u>	<u>(\$ 857,382)</u>	<u>\$ 2,960</u>	<u>\$ 1,582,689</u>

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

LUMOSA THERAPEUTICS CO. LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	For the years ended December 31,	
		2020	2019
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Loss before income tax for the year		(\$ 322,564)	(\$ 226,251)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(5)(6)(20)	10,101	12,913
Amortisation	6(7)(20)	25,526	26,422
Net gain on financial assets or liability at fair value through profit or loss	6(2)(19)	(24,496)	(35,800)
Interest income	6(17)	(3,413)	(7,264)
Interest expense	6(6)	151	271
Compensation cost of employee stock options	6(11)(21)	-	96
Losses on disposals of property, plant and equipment	6(19)	-	4
Gains on disposals of investments	6(19) and 7	-	(10,346)
Unrealised foreign exchange gain		(216)	-
Gains on lease modifications	6(6)(19)	(54)	-
Changes in assets and liabilities relating to operating activities			
Changes in assets relating to operating activities			
Contract assets - current		-	(3,804)
Accounts receivable		261,656	(259,976)
Inventory		(7,777)	(23,916)
Other receivables		15,813	(522)
Prepayments		(7,677)	5,773
Other current assets		1,775	(889)
Changes in liabilities relating to operating activities			
Contract liabilities - current		320	4,318
Accounts payable		(7,810)	7,840
Other payables		(58,900)	29,067
Refund liabilities - current		-	94,078
Other current liabilities		(2,177)	2,786
Cash outflow generated from operations		(119,742)	(385,200)
Interest received		4,104	8,423
Income taxes paid		(13,322)	(2,472)
Interest paid		(151)	(271)
Net cash flows used in operating activities		(129,111)	(379,520)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortised cost - current		(668,357)	(947,158)
Proceeds from disposal of financial assets at amortised cost - current		752,516	841,702
Acquisition of financial assets at fair value through profit or loss		(88,000)	(20,000)
Proceeds from disposal of financial assets at fair value through profit or loss		10,885	-
Acquisition of property, plant and equipment	6(5)(24)	(680)	-
Proceeds from disposal of property, plant and equipment		-	47,247
Proceeds from disposal of intangible assets	6(7)	-	61,244
Decrease in other non-current assets		-	1,439
Net cash flows from (used in) investing activities		6,364	(15,526)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Cash capital increase - private placement	6(12)	855,500	-
Employee stock options exercised		3,875	13,584
Redemption of lease liabilities	6(6)(25)	(6,796)	(6,253)
Net cash flows from financing activities		852,579	7,331
Effect due to changes in exchange rate		2	196
Increase (decrease) in cash		729,834	(387,519)
Cash at beginning of year		168,803	556,322
Cash at end of year		\$ 898,637	\$ 168,803

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

4.Comparison Table for the Articles of Incorporation

After the Revision	Before the Revision	After the Revision
<p>Article 1</p> <p>The Company shall be incorporated under the Company Act of the Republic of China, and the Company name shall be Lumosa Therapeutics Co., Ltd..<u>The English Name shall be 「LUMOSA THERAPEUTICS CO., LTD.」</u></p>	<p>Article 1</p> <p>The Company shall be incorporated under the Company Act of the Republic of China, and the Company name shall be Lumosa Therapeutics Co., Ltd..</p>	In accordance with operational needs
<p>Article 6</p> <p>The total capital of the Company is <u>3,000,000,000</u> New Taiwan Dollars, divided into <u>300,000,000</u> shares at Ten New Taiwan Dollars (NTD\$10) each, the Board of Directors is authorized to issue the unpaid-up shares in installments whenever needed.</p>	<p>Article 6</p> <p>The total capital of the Company is <u>2,000,000,000</u> New Taiwan Dollars, divided into <u>200,000,000</u> shares at Ten New Taiwan Dollars (NTD\$10) each, the Board of Directors is authorized to issue the unpaid-up shares in installments whenever needed.</p>	In accordance with operational needs
<p>Article 7</p> <p>Share certificates shall be in registered form, signed by <u>director representing the company</u>, and duly certified or authenticated by the competent authority or a certifying institution appointed by the competent authority before issuance. The shares to be issued by the Company may be exempted from printing share certificates: however, the Company shall appoint a centralized securities custody enterprise institution to be responsible for the registration of such shares.</p>	<p>Article 7</p> <p>Share certificates shall be in registered form, signed by <u>three or more directors of the Company</u>, and duly certified or authenticated by the competent authority or a certifying institution appointed by the competent authority before issuance. The shares to be issued by the Company may be exempted from printing share certificates: however, the Company shall appoint a centralized securities custody enterprise institution to be responsible for the registration of such shares.</p>	In accordance with Article 162 of the Company Act.
<p>Section IV Directors</p>	<p>Section IV Directors and Supervisors</p>	In accordance with

After the Revision	Before the Revision	After the Revision
<p>Article 14</p> <p>The Company shall have seven to eleven directors. The term of office shall be three years. Directors shall be elected by adopting candidates nomination system, and shall be elected by the shareholders' meeting from among the nominees listed in the roster. All directors shall be eligible for re-election. The Company shall adopt the open-ballot, cumulative voting method for the election of directors. At least <u>three</u> independent directors of the Company shall be existed among the number of directors mentioned in the preceding Paragraph, and the numbers of such independent directors shall not be less than one-fifth of the total number of directors. The qualifications, shareholding, participation in other business restricted, nomination, election and any other matters of the independent directors shall meet the requirements as specified by the competent authority in charge of securities affairs.</p>	<p>Article 14</p> <p>The Company shall have seven to eleven directors and two to three supervisors. The term of office shall be three years. Directors and supervisors shall be elected by adopting candidates nomination system, and shall be elected by the shareholders' meeting from among the nominees listed in the roster. All directors and supervisors shall be eligible for re-election. The Company shall adopt the open-ballot, cumulative voting method for the election of directors and supervisors.</p> <p>At least <u>two</u> independent directors of the Company shall be existed among the number of directors mentioned in the preceding Paragraph, and the numbers of such independent directors shall not be less than one-fifth of the total number of directors. The qualifications, shareholding, participation in other business restricted, nomination, election and any other matters of the independent directors shall meet the requirements as specified by the competent authority in charge of securities affairs.</p>	<p>establishment of an audit committee to replace supervisors function. In accordance with the No. 1090009468 letter of the Taiwan Stock Exchange</p>
<p>Article 14-1</p> <p>The Committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be the convener, and at least one of whom shall have</p>	<p>(New Add)</p>	

After the Revision	Before the Revision	After the Revision
<p>accounting or financial expertise. The audit committee and its members perform their duties in accordance with the company law, securities exchange law and other laws and regulations.</p>		
<p>Article 15 In case that no election of new directors is effected after the expiry date of the term of office of existing directors, the term of office of the original directors shall be extended until the new directors are elected and assumed their offices.</p>	<p>Article 15 In case that no election of new directors and supervisors is effected after the expiry date of the term of office of existing directors and supervisors, the term of office of the original directors and supervisors shall be extended until the new directors are elected and assumed their offices.</p>	
<p>Article 16 When the numbers of vacancies of the Board of Directors of the Company exceed one third of the total numbers of directors are discharged, the Board of Directors shall convene <u>a special meeting of shareholders</u> within <u>sixty</u> days to elect the succeeding directors. The term of office of the succeeding directors shall be restricted to the remaining term of office of the original directors. <u>When the number of the independent director members on the Committee falls below that prescribed in the preceding paragraph or in the articles of incorporation due to an independent director's dismissal for any reason, a by-election shall be held at the next shareholders meeting to fill the vacancy.</u> <u>When the independent directors are</u></p>	<p>Article 16 When the numbers of vacancies of the Board of Directors of the Company exceed one third of the total numbers of directors or all supervisors are discharged, the Board of Directors shall convene <u>a meeting of shareholders</u> within <u>thirty</u> days to elect the succeeding directors or supervisors. The term of office of the succeeding directors or supervisors shall be restricted to the remaining term of office of the original directors. Once the shares of the Company are issued to the public, the Board of Directors shall convene a special meeting of shareholders within sixty days.</p>	

After the Revision	Before the Revision	After the Revision
<p><u>dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of the occurrence to hold a by-election to fill the vacancies.</u></p>		
<p>Article 17</p> <p>The meetings of the Board of Directors shall be held at least once per quarter. Unless otherwise specified in the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. Unless otherwise specified in the Company Act, the Board of Directors shall be convened by the chairman of the Board of Directors. The Company shall provide a notice with the subject(s) to be discussed at the meeting to each director no later than 7 days prior to the scheduled meeting date. In the case of any emergent event, such meetings can be convened at any time.</p> <p>The foresaid notice can be circulated by means of documents, fax or electronic transmission.</p>	<p>Article 17</p> <p>The meetings of the Board of Directors shall be held at least once per quarter. Unless otherwise specified in the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. Unless otherwise specified in the Company Act, the Board of Directors shall be convened by the chairman of the Board of Directors. The Company shall provide a notice with the subject(s) to be discussed at the meeting to each director and supervisor no later than 7 days prior to the scheduled meeting date. In the case of any emergent event, such meetings can be convened at any time.</p> <p>The foresaid notice can be circulated by means of documents, fax or electronic transmission.</p>	
<p>Article 20-1</p> <p>The Company may purchase the liability insurance for the directors with respect to liabilities resulting from exercising their duties during their terms of office. The insured</p>	<p>Article 20-1</p> <p>The Company may purchase the liability insurance for the directors and supervisors with respect to liabilities resulting from exercising their duties during their terms of</p>	

After the Revision	Before the Revision	After the Revision
<p>amount and other affairs related to liability insurance are authorized to the resolution of the Board of Directors.</p>	<p>office. The insured amount and other affairs related to liability insurance are authorized to the resolution of the Board of Directors.</p>	
<p>Article 20-2 The Company shall pay remuneration to the directors for their duties. The remuneration for the directors shall be determined by the Board of Directors in consideration of the extent of participation of the directors and the value of the contributions provided by the directors for the management of the Company and the general standard of the same industry.</p>	<p>Article 20-2 The Company shall pay remuneration to the directors or supervisors for their duties. The remuneration for the directors or supervisors shall be determined by the Board of Directors in consideration of the extent of participation of the directors or supervisors and the value of the contributions provided by the directors or supervisors for the management of the Company and the general standard of the same industry.</p>	
<p><u>(delete)</u></p>	<p>Article 22 In addition to implement the power of supervisors in accordance with the related law, the supervisors may attend the meetings of Board of Directors to present their opinions, but have no voting rights. The power of the supervisors is listed as follows:— (1) To review the annual final account reports; (2) To supervise the business operation of the Company and audit all accounts of the Company; and</p>	

After the Revision	Before the Revision	After the Revision
	(3)To implement any other matter in accordance with the relevant regulations and laws.	
<p>Article 22 (Omitted below)</p>	<p>Article 23 (Omitted below)</p>	<p>In accordance with the deletion of Article 22, adjust the article number.</p>
<p>Article 23 At the close of each fiscal year <u>by the company</u>, the Board of Directors shall prepare the following statements and records which <u>submit to the shareholders meeting for recognition</u>:</p> <p>(1)the business report; (2)the financial statements; and (3)the profit distribution or deficit compensation proposals.</p>	<p>Article 24 The fiscal year of the Company shall be from January 1 to December 31 of each year. The Company shall close accounts at the end of the year. At the close of each fiscal year, the Board of Directors shall prepare the following statements and records which shall be forwarded to the supervisors for their auditing not later than the 30th day prior to the meeting date of a general shareholders' meeting:</p> <p>(1)the business report; (2)the financial statements; and (3)the profit distribution or deficit compensation proposals.</p>	<p>In accordance with the deletion of Article 22, adjust the article number. In accordance with the establishment of an audit committee to replace supervisors function.</p>
<p>Article 24 In the case that any profits is retained in a certain year, the Board of Directors shall allocate 2% to 6% of the profits as compensation for the employee and not more than 2% of the profits as compensation for the directors. The above-mentioned term “profits” means profit before income tax before allocating of the compensation for the employees,</p>	<p>Article 25 In the case that any profits is retained in a certain year, the Board of Directors shall allocate 2% to 6% of the profits as compensation for the employee and not more than 2% of the profits as compensation for the directors and supervisors. The above-mentioned term “profits” means profit before income tax before allocating of the</p>	<p>In accordance with the deletion of Article 22, adjust the article number. In accordance with the establishment of an audit committee to replace supervisors</p>

After the Revision	Before the Revision	After the Revision
<p>directors. However, in the case that any accumulated loss is remained, the Company shall reserve a certain amount to offset such losses, then the balance left shall be allocated according to the foresaid principle. The compensation for the employees may be made either by stock or by cash, the compensation for directors may only be made by cash. The compensation shall under the resolution by the meeting of the Board of Directors and report at the shareholders' meeting.</p>	<p>compensation for the employees, directors and supervisors. However, in the case that any accumulated loss is remained, the Company shall reserve a certain amount to offset such losses, then the balance left shall be allocated according to the foresaid principle. The compensation for the employees may be made either by stock or by cash, the compensation for directors and supervisors may only be made by cash. The compensation shall under the resolution by the meeting of the Board of Directors and report at the shareholders' meeting.</p>	<p>function.</p>
<p>Article 24-1 (Omitted below)</p> <p>Article 25 (Omitted below)</p> <p>Article 26 (Omitted below)</p> <p>Article 27 (Omitted below)</p>	<p>Article 25-1 (Omitted below)</p> <p>Article 26 (Omitted below)</p> <p>Article 27 (Omitted below)</p> <p>Article 28 (Omitted below)</p>	<p>In accordance with the deletion of Article 22, adjust the article number.</p>
<p>Article 28 This Article of Incorporation was established on November 16, 2000. The first Amendment was entered into force as of April 22, 2002. The second Amendment was entered into force as of May 10, 2002. The third Amendment was entered into force as of March 6, 2003. The fourth Amendment was entered into force as of April 14, 2003. The fifth Amendment was entered into force as of April 24, 2003. The sixth Amendment was entered into</p>	<p>Article 29 This Article of Incorporation was established on November 16, 2000. The first Amendment was entered into force as of April 22, 2002. The second Amendment was entered into force as of May 10, 2002. The third Amendment was entered into force as of March 6, 2003. The fourth Amendment was entered into force as of April 14, 2003. The fifth Amendment was entered into force as of April 24, 2003. The sixth Amendment was entered into</p>	<p>In accordance with the deletion of Article 22, adjust the article number. Update the revision date.</p>

After the Revision	Before the Revision	After the Revision
<p>force as of July 3, 2003.</p> <p>The seventh Amendment was entered into force as of December 1, 2003.</p> <p>The eighth Amendment was entered into force as of December 6, 2004.</p> <p>The ninth Amendment was entered into force as of May 15, 2006.</p> <p>The tenth Amendment was entered into force as of September 16, 2011.</p> <p>The eleventh Amendment was entered into force as of September 25, 2012.</p> <p>The twelfth Amendment was entered into force as of June 21, 2013.</p> <p>The thirteenth Amendment was entered into force as of June 9, 2014.</p> <p>The fourteenth Amendment was entered into force as of July 25, 2014.</p> <p>The fifteenth Amendment was entered into force as of February 5, 2015.</p> <p>The sixteenth Amendment was entered into force as of June 1, 2015.</p> <p>The seventeenth Amendment was entered into force as of June 17, 2016.</p> <p>The eighteenth Amendment was entered into force as of July 27, 2018.</p> <p><u>The eighteenth Amendment was entered into force as of June 10, 2021.</u></p> <p>This Article of Incorporation shall take effect after the resolution of the meeting of the shareholders.</p>	<p>force as of July 3, 2003.</p> <p>The seventh Amendment was entered into force as of December 1, 2003.</p> <p>The eighth Amendment was entered into force as of December 6, 2004.</p> <p>The ninth Amendment was entered into force as of May 15, 2006.</p> <p>The tenth Amendment was entered into force as of September 16, 2011.</p> <p>The eleventh Amendment was entered into force as of September 25, 2012.</p> <p>The twelfth Amendment was entered into force as of June 21, 2013.</p> <p>The thirteenth Amendment was entered into force as of June 9, 2014.</p> <p>The fourteenth Amendment was entered into force as of July 25, 2014.</p> <p>The fifteenth Amendment was entered into force as of February 5, 2015.</p> <p>The sixteenth Amendment was entered into force as of June 1, 2015.</p> <p>The seventeenth Amendment was entered into force as of June 17, 2016.</p> <p>The eighteenth Amendment was entered into force as of July 27, 2018.</p> <p>This Article of Incorporation shall take effect after the resolution of the meeting of the shareholders.</p>	

5. Comparison Table for the Rules for Election of Directors and Supervisors

After the Revision	Before the Revision	After the Revision
<p>Title Procedures for Election of Directors</p>	<p>Title Procedures for Election of Directors and Supervisors</p>	<p>In accordance with establishment of an audit committee to replace supervisors function.</p>
<p>Article 1 These procedures enacted for the purpose to ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.</p>	<p>Article 1 These procedures enacted for the purpose to ensure a just, fair, and open election of directors and supervisors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.</p>	
<p>Article 2 Except as otherwise provided by law and regulation or by the company's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.</p>	<p>Article 2 Except as otherwise provided by law and regulation or by the company's articles of incorporation, elections of directors and supervisors shall be conducted in accordance with these Procedures.</p>	
<p>Article 3 The overall composition of the board of directors shall be taken into consideration in the selection of the Company's directors. <u>The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the</u></p>	<p>Article 3 The overall composition of the board of directors shall be taken into consideration in the selection of the Company's directors.</p>	<p>In accordance with the No. 1090009468 letter of the Taiwan Stock Exchange.</p>

After the Revision	Before the Revision	After the Revision
<p><u>following two general standards:</u></p> <p><u>1.Basic requirements and values:</u> <u>Gender, age, nationality, and culture.</u></p> <p><u>2.Professional knowledge and skills:A</u> <u>professional background (e.g., law,</u> <u>accounting, industry, finance,</u> <u>marketing, technology),</u> <u>professional skills, and industry</u> <u>experience.</u></p> <p>Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:</p> <ol style="list-style-type: none"> 1.The ability to make judgments about operations. 2. Accounting and financial analysis ability. 3. Business management ability. 4. Crisis management ability. 5. Knowledge of the industry. 6. An international market perspective. 7. Leadership ability. 8. Decision-making ability. <p>More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.</p> <p><u>The board of directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.</u></p>	<p>Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:</p> <ol style="list-style-type: none"> 1.The ability to make judgments about operations. 2. Accounting and financial analysis ability. 3. Business management ability. 4. Crisis management ability. 5. Knowledge of the industry. 6. An international market perspective. 7. Leadership ability. 8. Decision-making ability. <p>More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.</p>	

After the Revision	Before the Revision	After the Revision
<p><u>(delete)</u></p>	<p>Article 4 Supervisors of the Company shall meet the following qualifications: 1. Integrity and a practical attitude. 2. Impartial judgment. 3. Professional knowledge. 4. Broad experience. 5. Ability to read financial statements. In addition to the requirements of the preceding paragraph, at least one among the supervisors of the Company must be an accounting or finance professional. At least one supervisor position must be held by a person having neither a spousal relationship nor a relationship within the second degree of kinship with any other supervisor or with any director. A supervisor may not serve concurrently as the director, managerial officer, or any other employee of the Company, and at least one of the supervisors must be domiciled in the Republic of China to be able to promptly fulfill the functions of supervisor.</p>	<p>In accordance with the establishment of an audit committee to replace supervisors function.</p>
<p>Article 4 (Omitted below)</p>	<p>Article 5 (Omitted below)</p>	<p>In accordance with the deletion of Article 4, adjust the article number.</p>
<p>Article 5 Elections of both directors at the Company shall be conducted in</p>	<p>Article 6 Elections of both directors and supervisors at the Company shall be</p>	<p>In accordance with the deletion of Article 4, adjust the</p>

After the Revision	Before the Revision	After the Revision
<p>accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.</p> <p><u>When the number of directors falls below five due to the dismissal of a director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.</u></p> <p><u>When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.</u></p>	<p>conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.</p> <p><u>(New Add)</u></p>	<p>article number.</p> <p>In accordance the establishment of an audit committee to replace function. In accordance with the No. 1090009468 letter of the Taiwan Stock Exchange.</p>
<p>Article 6</p> <p>The cumulative voting method shall be used for election of the directors at the Company. Each share will have</p>	<p>Article 7</p> <p>The cumulative voting method shall be used for election of the directors and supervisors at the Company. Each</p>	

After the Revision	Before the Revision	After the Revision
<p>voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.</p>	<p>share will have voting rights in number equal to the directors or supervisors to be elected, and may be cast for a single candidate or split among multiple candidates.</p>	
<p>Article 7 The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.</p>	<p>Article 8 The board of directors shall prepare separate ballots for directors and supervisors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.</p>	
<p>Article 8 The number of directors will be as specified in the Company's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the</p>	<p>Article 9 The number of directors and supervisors will be as specified in the Company's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to</p>	

After the Revision	Before the Revision	After the Revision
winner, with the chairman drawing lots on behalf of any person not in attendance.	determine the winner, with the chairman drawing lots on behalf of any person not in attendance. A candidate simultaneously elected as a director or a supervisor shall, at the candidate's own discretion, decide to serve as either director or supervisor. The person with second highest number of votes shall be the director and supervisor.	
Article 9 (Omitted below)	Article 10 (Omitted below)	In accordance with the deletion of Article 4, adjust the article number.
Article 10 A voter must enter the candidate's account name in the "candidate" column of the ballot, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.	Article 11 If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered. When there are multiple	In accordance with the No. 1090009468 letter of the Taiwan Stock Exchange.

After the Revision	Before the Revision	After the Revision
	representatives, the names of each respective representative shall be entered.	
<p>Article 11</p> <p>A ballot is invalid under any of the following circumstances:</p> <ol style="list-style-type: none"> 1. The ballot was not prepared by <u>a person with the right to convene</u>. 2. A blank ballot is placed in the ballot box. 3. The writing is unclear and indecipherable or has been altered. 4. <u>The candidate whose name is entered in the ballot does not conform to the director candidate list.</u> 5. <u>In addition to filling in the name or account name of the electee, insert other characters.</u> 	<p>Article 12</p> <p>A ballot is invalid under any of the following circumstances:</p> <ol style="list-style-type: none"> 1. The ballot was not prepared by <u>the board of directors</u>. 2. A blank ballot is placed in the ballot box. 3. The writing is unclear and indecipherable or has been altered. 4. The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match. 5. Other words or marks are entered in addition to the candidate's account name or shareholder account number (or identity card number) and the number of voting rights allotted. 6. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in 	<p>In accordance with the deletion of Article 4, adjust the article number.</p> <p>In accordance with the establishment of an audit committee to replace supervisors function.</p> <p>In accordance with the No. 1090009468 letter of the Taiwan Stock Exchange.</p>

After the Revision	Before the Revision	After the Revision
<p>6. The number of write-in candidates is two or more than two candidates.</p>	<p>the ballot to identify such individual. 7. The number of write-in candidates is two or more than two candidates.</p>	
<p>Article 12 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chairman on the site.</p> <p><u>The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.</u></p>	<p>Article 13 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors or supervisors and the numbers of votes with which they were elected, shall be announced by the chairman on the site.</p> <p><u>(New Add)</u></p>	<p>In accordance with the deletion of Article 4, adjust the article number. In accordance with the establishment of an audit committee to replace supervisors function.</p>
<p>Article 13 The board of directors of the Company shall issue notifications to the persons elected as directors.</p>	<p>Article 14 The board of directors of the Company shall issue notifications to the persons elected as directors or supervisors.</p>	
<p>Article 14 These Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.</p>	<p>Article 15 These Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.</p>	<p>In accordance with the deletion of Article 4, adjust the article number. Update the revision</p>

After the Revision	Before the Revision	After the Revision
<p>These Procedures was established on February 5, 2015.</p> <p>The first Amendment was entered into force as of June 17, 2016.</p> <p><u>The second Amendment was entered into force as of June 10, 2021.</u></p>	<p>These Procedures was established on February 5, 2015.</p> <p>The first Amendment was entered into force as of June 17, 2016.</p>	<p>date.</p>

6. Comparison Table for the Procedures for Acquisition or Disposal of Assets

After the Revision	Before the Revision	After the Revision
<p>Article 9 Related Party Transactions 一、Omitted below 二、Evaluation and operating procedures</p> <p>When the company intends to acquire or dispose of real property or right-of-use assets thereof 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 thereof 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 money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by <u>the audit committee and then submitted to the board of directors</u></p> <p>((一)~(七) Omitted below)</p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with antecedent, and "within the preceding year" as used herein refers to the year preceding the date of occurrence</p>	<p>Article 9 Related Party Transactions 一、Omitted below 二、Evaluation and operating procedures</p> <p>When the company intends to acquire or dispose of real property or right-of-use assets thereof 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 thereof 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 money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the board of directors and recognized <u>by the supervisors:</u></p> <p>((一)~(七) Omitted below)</p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with antecedent, and "within the preceding year" as used herein refers to the year preceding the</p>	<p>In accordance with the establishment of an audit committee to replace the supervisors function.</p>

After the Revision	Before the Revision	After the Revision
<p>of the current transaction. Items that have been approved by <u>the audit committee</u> and then submitted to the board of directors need not be counted toward the transaction amount.</p> <p>(Omitted below)</p> <p>三、the reasonableness evaluate of the transaction costs</p> <p>((一)~(二) Omitted below)</p> <p>(三)、The company acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with the preceding two articles are uniformly lower than the transaction price, the following steps shall be taken:</p> <p>1.(Omitted below)</p> <p>2. <u>The audit committee</u> shall comply with Article 218 of the Company Act.</p> <p>(Omitted below)</p>	<p>date of occurrence of the current transaction. Items that have been approved by <u>the board of directors</u> and recognized by the supervisors need not be counted toward the transaction amount.</p> <p>(Omitted below)</p> <p>三、the reasonableness evaluate of the transaction costs</p> <p>((一)~(二) Omitted below)</p> <p>(三)、The company acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with the preceding two articles are uniformly lower than the transaction price, the following steps shall be taken:</p> <p>1. (Omitted below)</p> <p>2. <u>Supervisors</u> shall comply with Article 218 of the Company Act.</p> <p>(Omitted below)</p>	
<p>Article 12</p> <p>Procedures for obtaining or disposing of derivative commodities</p> <p>一、Trading principles and strategies</p> <p>(Omitted below)</p> <p>二、Risk management measures</p> <p>((一)~(七) Omitted below)</p> <p>(八)、Internal audit system :</p> <p>Internal auditors should regularly understand the adequacy of the internal control of derivative commodity transactions, and check the compliance of the trading department on the</p>	<p>Article 12</p> <p>Procedures for obtaining or disposing of derivative commodities</p> <p>一、Trading principles and strategies</p> <p>(Omitted below)</p> <p>二、Risk management measures</p> <p>((一)~(七) Omitted below)</p> <p>(八)、Internal audit system :</p> <p>Internal auditors should regularly understand the adequacy of the internal control of derivative commodity transactions, and check the compliance of the trading department on the</p>	<p>In accordance with the establishment of an audit committee to replace the supervisors function.</p>

After the Revision	Before the Revision	After the Revision
<p>processing procedures for derivative commodity transactions on a monthly basis, analyze the transaction cycle, and prepare an audit report. If a major violation is found, it should be Inform the audit committee</p> <p>(Omitted below)</p>	<p>processing procedures for derivative commodity transactions on a monthly basis, analyze the transaction cycle, and prepare an audit report. If a major violation is found, it should be Inform <u>the supervisor and independent directors in writing.</u></p> <p>(Omitted below)</p>	
<p>Article 17</p> <p>Implementation and revision</p> <p>一、The company's "procedures for acquiring or disposing of assets" are <u>approved by the audit committee, and then submitted to the board of directors for approval, and submitted to the shareholders meeting for approval.</u> The same applies to amendments. If a director expresses a disagreement and has a record or written statement, the company shall <u>also send the disagreement information of the director to the audit committee.</u> When submitting the "procedures for obtaining or disposing of assets" to the board of directors for discussion, the opinions of independent directors shall be fully considered. If independent directors have objections or reservations, they shall be stated in the minutes of the board of directors.</p> <p>二、The acquisition or disposal of assets by the company shall be approved by the board of directors in accordance with the prescribed processing procedures or other legal regulations. If any director expresses an objection and has a record or a written statement, the company shall send the information of the directors</p>	<p>Article 17</p> <p>Implementation and revision</p> <p>一、The company's "procedures for acquisition or disposal of assets" are <u>approved by the board of directors, they are sent to the supervisors and reported to the shareholders' meeting for approval.</u> The same applies for amendments. If a director expresses a disagreement and has a record or written statement, the company shall <u>send the information of the director objection to the supervisors.</u> When submitting the "procedures for obtaining or disposing of assets" to the board of directors for discussion, the opinions of independent directors shall be fully considered. If independent directors have objections or reservations, they shall be stated in the minutes of the board of directors.</p> <p>二、The acquisition or disposal of assets by the company shall be approved by the board of directors in accordance with the prescribed processing procedures or other legal regulations. If any director expresses an objection and has a record or a written statement, the company shall send the information of the directors</p>	<p>In accordance with the establishment of an audit committee to replace the supervisors function.</p>

After the Revision	Before the Revision	After the Revision
<p>objection to <u>the Audit Committee</u>. When reporting the acquisition or disposal of asset transactions to the board of directors for discussion, the opinions of independent directors shall be fully considered. If independent directors have objections or reservations, they shall be stated in the minutes of the board of directors.</p>	<p>objection to <u>the supervisors</u>. When reporting the acquisition or disposal of asset transactions to the board of directors for discussion, the opinions of independent directors shall be fully considered. If independent directors have objections or reservations, they shall be stated in the minutes of the board of directors.</p>	
<p>Article 18 This method shall be implemented after being approved by the shareholders' meeting, and the same shall apply when amended. These Procedures was established on February 5, 2015. The first Amendment was entered into force as of June 17, 2016. <u>The second Amendment was entered into force as of June 10, 2021.</u></p>	<p>Article 18 This method shall be implemented after being approved by the shareholders' meeting, and the same shall apply when amended. These Procedures was established on February 5, 2015. The first Amendment was entered into force as of June 17, 2016.</p>	<p>Updated revision date</p>

7.Operational Procedures for Loaning of Funds, Endorsements and Guarantees

After the Revision	Before the Revision	After the Revision
<p>Title <u>Procedures for Loaning of Funds, Endorsements and Guarantees</u></p>	<p>Title <u>Operational Procedures for Loaning of Funds, Endorsements and Guarantees</u></p>	<p>Revision to meet actual needs</p>
<p>Article 6 The aggregate amount of loans and the maximum amount permitted to a single borrower (The above is omitted) (二) Companies or bank numbers that are necessary for short-term financing: the individual loan amount shall not exceed 20% of the company’s net worth. Foreign companies that directly and indirectly hold 100% of the voting shares are engaged in capital loans, or foreign companies that directly and indirectly hold 100% of the voting shares of the company engage in capital loans to the company, and are not subject to financing The amount shall not exceed the limit of 40% of the net value of the loan and the company, and the financing period is not restricted by one year or one business cycle. However, the loan and the company should still follow its risk management and control principles, and specify the total amount of capital loans, the limit and loan period of individual objects in the processing procedures of its capital loans and others.</p>	<p>Article 6 The aggregate amount of loans and the maximum amount permitted to a single borrower (The above is omitted) (二) Companies or bank numbers that are necessary for short-term financing: the individual loan amount shall not exceed 20% of the company’s net worth. Foreign companies that directly and indirectly hold 100% of the voting shares are engaged in short-term financing of capital loans, or foreign companies that directly and indirectly hold 100% of the voting shares of the company engage in capital loans to the company, and are not subject to financing The amount shall not exceed the limit of 40% of the net value of the loan and the company, and the financing period is not restricted by one year or one business cycle. However, the loan and the company should still follow its risk management and control principles, and specify the total amount of capital loans, the limit and loan period of individual objects in the processing procedures of its capital loans and others.</p>	<p>In accordance with the No. 1080304826 letter of the FSC.</p>
<p>Article 17</p>	<p>Article 17</p>	<p>In accordance with</p>

After the Revision	Before the Revision	After the Revision
<p>When handling fund loans and matters, accounting units shall establish a reference book, and publish in detail the target, amount, date of approval by the board of directors, date of fund lending, and items that should be carefully evaluated in accordance with Article 7, Paragraph 1, Paragraph 2 for future reference. Internal auditors shall audit the handling procedures and implementation of fund loans to others at least quarterly, and make written records. If major violations are found, they shall immediately notify <u>the Audit Committee</u> in writing.</p>	<p>When handling fund loans and matters, accounting units shall establish a reference book, and publish in detail the target, amount, date of approval by the board of directors, date of fund lending, and items that should be carefully evaluated in accordance with Article 7, Paragraph 1, Paragraph 2 for future reference. Internal auditors shall audit the handling procedures and implementation of fund loans to others at least quarterly, and make written records. If major violations are found, they shall immediately notify <u>the supervisors and independent directors</u> in writing.</p>	<p>the establishment of an audit committee to replace the supervisors function.</p>
<p>Article 18 Due to changes in circumstances, when the loan and the target do not meet the requirements of this standard or the balance exceeds the limit, an improvement plan shall be formulated, the relevant improvement plan shall be sent to <u>the Audit Committee</u>, and the improvement shall be completed according to the planned schedule.</p>	<p>Article 18 Due to changes in circumstances, when the loan and the target do not meet the requirements of this standard or the balance exceeds the limit, an improvement plan shall be formulated, the relevant improvement plan shall be sent to <u>the supervisors and independent directors</u>, and the improvement shall be completed according to the planned schedule.</p>	<p>In accordance with the establishment of an audit committee to replace the supervisors function.</p>
<p>Article 20 The financial and accounting unit shall establish a reference book for the endorsement guarantee object, amount, the date of approval by the board of directors or the chairman's decision, the endorsement guarantee date, and the matters that should be carefully evaluated in accordance with Article 13, and shall be published for future reference.</p>	<p>Article 20 The financial and accounting unit shall establish a reference book for the endorsement guarantee object, amount, the date of approval by the board of directors or the chairman's decision, the endorsement guarantee date, and the matters that should be carefully evaluated in accordance with Article 13, and shall be published for future reference.</p>	<p>In accordance with the establishment of an audit committee to replace the supervisors function.</p>

After the Revision	Before the Revision	After the Revision
<p>The internal auditors shall audit the endorsement guarantee processing procedures and their implementation at least quarterly, and make written records. If a major violation is found, <u>the Audit Committee</u> shall be notified in writing immediately.</p>	<p>The internal auditors shall audit the endorsement guarantee processing procedures and their implementation at least quarterly, and make written records. If a major violation is found, <u>the supervisors and independent directors</u> shall be notified in writing immediately.</p>	
<p>Article 20 Due to changes in circumstances, when the endorsement guarantee object does not meet the requirements of this standard or the amount exceeds the limit, an improvement plan shall be formulated, the relevant improvement plan shall be sent to <u>the Audit Committee</u>, and the improvement shall be completed in accordance with the planned schedule.</p>	<p>Article 20 Due to changes in circumstances, when the endorsement guarantee object does not meet the requirements of this standard or the amount exceeds the limit, an improvement plan shall be formulated, the relevant improvement plan shall be sent to <u>the supervisors and independent directors</u>, and the improvement shall be completed in accordance with the planned schedule.</p>	
<p>Article 28 The company intending to loan funds to others shall formulate its Operational Procedures for Loaning Funds to Others in compliance with these Regulations, <u>the amended procedures shall require the approval of one-half or more of all audit committee members, passage by the board of directors</u> and submit them for approval by the shareholders' meeting ; where any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the dissenting opinion to <u>the Audit Committee</u> and for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures.</p>	<p>Article 28 The company intending to loan funds to others shall formulate its Operational Procedures for Loaning Funds to Others in compliance with these Regulations, <u>and, after passage by the board of directors, submit the Procedures to each supervisor and submit them for approval by the shareholders' meeting;</u> where any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the dissenting opinion to <u>each supervisor</u> and for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures. The board of directors shall take into full consideration each independent director's opinion. If an independent director expresses any dissent or</p>	<p>In In accordance with the establishment of an audit committee to replace the supervisors function. In accordance with the No. 1080304826 letter of the FSC.</p>

After the Revision	Before the Revision	After the Revision
<p><u>If the approval of one-half or more of all audit committee members as required in the preceding paragraph is not obtained, the Operational Procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.</u></p> <p><u>The terms "all audit committee members" in paragraph 4 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</u></p>	<p>reservation, it shall be noted in the minutes of the board of directors meeting.</p> <p>(New add)</p>	
<p>Article 29</p> <p>This method shall be implemented after being approved by the shareholders' meeting, and the same shall apply when amended.</p> <p>These Procedures was established on February 5, 2015.</p> <p>The first Amendment was entered into force as of June 17, 2016.</p> <p><u>The second Amendment was entered into force as of June 10, 2021.</u></p>	<p>Article 29</p> <p>This method shall be implemented after being approved by the shareholders' meeting, and the same shall apply when amended.</p> <p>These Procedures was established on February 5, 2015.</p> <p>The first Amendment was entered into force as of June 17, 2016.</p>	<p>Updated revision date</p>

8.List of Director and Independent Director Candidates

sort	Name	Education	Experience	Present Job
Director	Jung Chin Lin Representative of Center Laboratories, Inc.	Taipei Medical University Honorary Doctor of Medicine Taipei Medical University Bachelor of Pharmacy	Center Laboratories, Inc. Chairman	Center Laboratories, Inc. Chairman (Representative) Mycenax Biotech Inc. Chairman (Representative) Adimmune Corporation Director (Representative) BioGenD Therapeutics Co.,Ltd. Director (Representative) Glac biotech Co.,Ltd Chairman (Representative) Bioengine Capital Inc. Chairman (Representative) BioEngine Technology Development Inc. Chairman (Representative) BRIM Biotechnology, Inc. Director (Representative) 歐室食品(股)公司 Chairman Ausnutria Dairy (Taiwan) Nutrition & Health Sciences Corporation Chairman (Representative) Youluck International Inc.Chairman (Representative) 翔湧生技管理顧問(股)公司 Director 北京順都藥物研究所有限公司 Director BIOFLAG INTERNATIONAL CORPORATION (Cayman) Director (Representative) O'LONG ENTERPRISES LIMITED(BVI) Chairman Centerlab Investment Holding Limited(HK) Chairman

sort	Name	Education	Experience	Present Job
				Center Laboratories Limited(HK) Chairman BioEngine Capital Holding Limited(HK) Chairman BioEngine Investment Holding Limited(HK) Chairman
Director	Wann Lai Cheng Representative of Center Laboratories, Inc.	Fu Jen Catholic University Bachelor of Business Administration	Taiwan Calsonic Co.,Ltd Chairman	永鍊(股)公司 Chairman Browave Corporation Chairman Powertech Technology Inc. Independent director Center Laboratories, Inc. Director Mycenax Biotech Inc. Director (Representative) Glac biotech Co.,Ltd. Director (Representative) Bioengine Capital Inc. Director (Representative) BioEngine Technology Development Inc. Director (Representative) Lumosa Therapeutics Co., Ltd.(Cayman) Chairman Lumosa Therapeutics Co., Ltd Chairman
Director	BioEngine Technology Development Inc.	NA	-	Bioengine Capital Inc.Director(Representative)
Director	Chung Hao Tasi	Chang Gung University Doctor of Graduate Institute of Clinical Medical Sciences China Medical University Bachelor of Medicine	中國醫藥大學醫學研究所 所長 澳洲皇家阿得雷德醫院動 作障礙疾病與神經電生理 研究員 林口長庚醫院神經內科動 作障礙中心副教授級主治 醫師	China Medical University Hospital Neurology Director-General COLLEGE OF MEDICINE, CHINA MEDICAL UNIVERSITY DEAN 台灣動作障礙學會理事長 國際巴金森暨動作障礙學會亞太區執行理事
Director	順晟藥品有限公 司	NA	-	-

sort	Name	Education	Experience	Present Job
Director	Hsueh Ling Wang	National Chengchi University Master of Accounting Tamkang University Bachelor of Accounting	財政部台北市國稅局股長 順天堂藥廠(股)公司副 理、經理、副總經理、總 經理 順天醫藥生技(股)公司董 事 固源靈生物科技(股)公司 監察人	Sun Ten Pharmaceutical Co., Ltd Vice Chairman (Representative) SUN TEN NATURECEUTICA CO., LTD. Director (Representative) 和利展業有限公司Chairman SUNBEAUS LIMITED COMPANY Chairman (Representative) 順天國際投資(股)公司 Director HERBIOTEK CO., LTD. Director (Representative)
Independent director	Chih Hsiung Wu	Dokkyo Medical University Doctor of First Department of Surgery Taipei Medical University Bachelor of Medicine	台北醫學大學附設醫院院 長 衛生福利部雙和醫院院長 台灣外科醫學會理事長	MEDEON BIODESIGN, INC. Director representative En Chu Kong Hospital CEO En Chu Kong Hospital Superintendent Taipei Medical University Chair Professor Taipei Medical University Director
Independent director	Hai I Ma	Lehigh University (USA) Doctor of Chemistry	台灣神隆(股)公司共同 創辦人 台灣神隆(股)公司總經 理、董事長暨營運長 生技產業深耕學院創辦人 美商神農國際公司總經理 美國 Syntex 藥廠副總 美國 Monsanto 化學公司晶 圓廠長、人造纖維品管處 長、分析化學經理 中美冠科生物技術(股)公 司獨立董事 安成國際藥業(股)公司董	BioGen Therapeutics Co.,Ltd. Independent director FORMOSA PHARMACEUTICALS , INC. Director 美國維梧資本創業投資公司合夥人 OBIGEN PHARMA, INC. Director (Representative) 國家衛生研究院諮詢委員 台灣生物產業發展協會常務理事及產業委員 會主任委員

sort	Name	Education	Experience	Present Job
			事 瑞寶基因(股)公司董事	
Independent director	Chih Yung Chin	Case Western Reserve University Master of Accountancy Tamkang University Bachelor of International Trade	Pan Asia International & Co., CPAs Senior Manager	Leading Change International CPA Firm Director SPACE SHUTTLE HI-TECH CO.,LTD. Independent director

IV. Appendix

1. Articles of Incorporation

Lumosa Therapeutics Co., Ltd.

Articles of Incorporation

Section I General Provision

Article 1

The Company shall be incorporated under the Company Act of the Republic of China, and the Company name shall be Lumosa Therapeutics Co., Ltd..

Article 2

The scope of business of the Company shall be as follows:

1. C199990 Other Food Manufacturing Not Elsewhere Classified
2. C802060 Animal Use Medicine Manufacturing
3. C802990 Other Chemical Products Manufacturing
4. F102170 Wholesale of Food and Grocery
5. F107070 Wholesale of Animal Medicines
6. F107200 Wholesale of Chemistry Raw Material
7. F108021 Wholesale of Drugs and Medicines
8. F108031 Wholesale of Drugs, Medical Goods
9. F203010 Retail sale of Food and Grocery
10. F207070 Retail Sale of Animal Medicine
11. F208021 Retail Sale of Drugs and Medicines
12. F208031 Retail sale of Medical Equipments
13. F208050 Retail Sale of the Second Type Patent Medicine
14. F401010 International Trade
15. F601010 Intellectual Property
16. I103060 Management Consulting Services
17. I301020 Data Processing Services
18. IC01010 Pharmaceuticals Examining Services
19. IG01010 Biotechnology Services
20. IG02010 Research Development Service
21. IZ99990 Other Industry and Commerce Services Not Elsewhere Classified

22. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3

The Company shall have its head office located in Taipei, Taiwan, Republic of China. The branch offices of the Company may be established at various locations within and without the territory of the Republic of China pursuant to the resolutions of the Board of Directors if necessary.

Article 4

The Company may provide endorsement and guarantee to other companies in accordance with the Operational Procedures for Loaning of funds, Endorsements and Guarantees of the Company.

Article 5

The Company shall make public announcements in accordance with the Article 28 of the Company Act and relevant regulations by the competent authority of securities affairs.

Section II Share

Article 6

The total capital of the Company is 2,000,000,000 New Taiwan Dollars, divided into 200,000,000 shares at Ten New Taiwan Dollars (NTD\$10) each, the Board of Directors is authorized to issue the unpaid-up shares in installments whenever needed. Among the foresaid total capital, 110,000,000 New Taiwan Dollars shall be reserved and divided into 11,000,00 shares for issuing employees' stock options at Ten New Taiwan Dollars (NTD\$10) each, and the Board of Directors is authorized to issue the stock options in installments

Article 7

Share certificates shall be in registered form, signed by three or more directors of the Company, and duly certified or authenticated by the competent authority or a certifying institution appointed by the competent authority before issuance.

The shares to be issued by the Company may be exempted from printing share certificates: however, the Company shall appoint a centralized securities custody enterprise institution to be responsible for the registration of such shares.

Article 8

Registration for transferring shares shall be suspended within 60 days before the

annual meeting of shareholders, within 30 days before the special meeting of shareholders, or within 5 days before the day on which dividend, bonus or any other benefit is scheduled to be paid by the Company.

Article 8-1

All stock transaction of the company shall follow the “Guidelines for Stock Operations for Public Companies”.

Section III Shareholders’ Meeting

Article 9

Shareholders’ meetings of the company are of two types, namely: (1) regular meetings and (2) special meetings. Regular meetings shall be convened by the Board of Directors, within six months after the close of each fiscal year. Special meetings shall be convened in accordance with the laws or regulations of the Republic of China.

Article 10

If a shareholder is unable to attend a shareholders’ meeting, the shareholder may appoint a proxy to attend the meeting by signing or sealing the power of attorney provided by the Company, which stating the scope of authorization. The regulations for attending by a proxy are in accordance with Article 177 of the Company Act and the “Use of Proxies for Attendance at Shareholder Meetings of Public Companies”.

Article 11

Unless restricted or in accordance with Article 179, paragraph 2 of the Company Act, the shareholders of the company shall have one voting power of each share.. Shareholders may exercise their voting power in writing or via electronic transmission in a shareholders' meeting. The Company shall describe in the shareholders’ meeting notice the method of exercising their voting power.

Article 11-1

The shareholders’ meeting shall be presided by the chairman of the Board of Directors. In case that the chairman is on leave or cannot exercise his power and authority for any causes, the chairman shall designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect an acting chairman of the Board of Directors among themselves.

Article 12

Unless otherwise provided in the Company Act, resolutions at a shareholders' meeting shall be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

Article 12-1

Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be signed or sealed by the chairman of the meeting and shall be distributed to all shareholders of the Company within twenty days after the meeting.

The distribution of the minutes of shareholders' meeting as required above may be conducted electronically. The date and place of the meeting, the name of the chairman, the method of adopting resolutions, and a summary of the main issues of the proceedings and the results of the meeting shall be recorded in the minutes of shareholders' meeting. The minutes shall be kept persistently throughout the life of the Company. The attendee list with the signatures of the attending shareholders and the powers of attorney of the proxies shall be kept by the Company for a minimum period of at least one year. If a lawsuit has been instituted by a shareholder in accordance with the provisions of Article 189 of the Company Act hereof, the minutes of the shareholders' meeting involved shall be kept by the Company until the legal proceedings of the foregoing lawsuit have been concluded.

Article 13

After the public issuance of its shares, if the Company wish to cease of its status as a public company, the Company should obtain a resolution at a shareholders' meeting. This Article shall not be changed during the emerging and listed (TWSE/TPEX) period of the Company.

Section IV Directors and Supervisors

Article 14

The Company shall have seven to eleven directors and two to three supervisors. The term of office shall be three years. Directors and supervisors shall be elected by adopting candidates nomination system, and shall be elected by the shareholders' meeting from among the nominees listed in the roster. All directors and supervisors shall be eligible for re-election. The Company shall adopt the open-ballot, cumulative voting method for the election of directors and supervisors. At least two independent directors of the Company shall be existed among the number of directors mentioned in the preceding Paragraph, and the numbers of

such independent directors shall not be less than one-fifth of the total number of directors. The qualifications, shareholding, participation in other business restricted, nomination, election and any other matters of the independent directors shall meet the requirements as specified by the competent authority in charge of securities affairs.

Article 15

In case that no election of new directors and supervisors is effected after the expiry date of the term of office of existing directors and supervisors, the term of office of the original directors and supervisors shall be extended until the new directors are elected and assumed their offices.

Article 16

When the numbers of vacancies of the Board of Directors of the Company exceed one third of the total numbers of directors or all supervisors are discharged, the Board of Directors shall convene a shareholders' meeting to elect the succeeding directors or supervisors. The term of office of the succeeding directors or supervisors shall be restricted to the remaining term of office of the original directors. Once the shares of the Company are issued to the public, the Board of Directors shall convene a special meeting of shareholders within sixty days.

Article 17

The meetings of the Board of Directors shall be held at least once per quarter. Unless otherwise specified in the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. Unless otherwise specified in the Company Act, the Board of Directors shall be convened by the chairman of the Board of Directors. The Company shall provide a notice with the subject(s) to be discussed at the meeting to each director and supervisor no later than 7 days prior to the scheduled meeting date. In the case of any emergent event, such meetings can be convened at any time.

The foresaid notice can be circulated by means of documents, fax or electronic transmission.

Article 18

The Board of Directors shall be organized by the directors. The chairman of the Board of Directors shall be elected from among the directors by a majority vote at a meeting attended by over two-thirds of the directors. The chairman of the Board of

Directors shall externally represent the Company.

Article 19

In case that the chairman of the Board of Directors is on leave or cannot exercise his power and authority for any causes, the proxy of the chairman shall be designated in accordance with the Article 208 of the Company Act.

Article 20

Each director shall attend the meeting of the Board of Directors in person. In case a director appoints another director to attend the meeting of the Board of Directors in his/her behalf, the proxy shall work in accordance with the Article 205 of the Company Act. In case a meeting of the Board of Directors is proceeded via visual communication network, the directors participating in such a visual communication meeting shall be deemed to have attended the meeting in person. If a director is unable to attend a Board Meeting, the director may, by written authorization, appoint another director to attend a Board Meeting on his/her behalf, but a director may accept the appointment to act as the proxy of one other director only.

Article 20-1

The Company may purchase the liability insurance for the directors and supervisors with respect to liabilities resulting from exercising their duties during their terms of office. The insured amount and other affairs related to liability insurance are authorized to the resolution of the Board of Directors.

Article 20-2

The Company shall pay remuneration to the directors or supervisors for their duties. The remuneration for the directors or supervisors shall be determined by the Board of Directors in consideration of the extent of participation of the directors or supervisors and the value of the contributions provided by the directors or supervisors for the management of the Company and the general standard of the same industry.

Article 21

Unless otherwise provided in the Company Act, the power of the Board of Directors is listed as follows:

- (1) To propose the amendments to this Articles of Incorporation;
- (2) To determine the operational policy, to review the business plan and to monitor the implementation of the business plan;

- (3) To determine the budget and the final account;
- (4) To draft and amend the internal regulations and organization charter of the Company;
- (5) To approve a reinvestment or joint ventures, or the assignment of the shares of the reinvestment or joint ventures;
- (6) To review the fund borrowed;
- (7) To approve the endorsement and guarantees to other companies;
- (8) To propose the assignment, sell, lease, pledge, mortgage or disposition or any other way of acquisition and disposal for the whole or any essential part of the Company's assets;
- (9) To elect the chairman of the Board of Directors;
- (10) To appoint or discharge of a certified public accountant and lawyers;
- (11) To appoint and discharge of the underwriters and co- underwriters of IPO;
- (12) To setup and dissolve branch offices;
- (13) To implement any other power in accordance with the Company Act or the resolution of a shareholders' meeting;
- (14) To approve the important technical skills and the acquisition, transfer, pledge, license, lease or disposal of patent right, trademark right and copyright of the Company as well as major technique collaboration contracts; and
- (15) To implement all matters not provided for in this Articles but set forth in the relevant regulations or laws.

Article 22

In addition to implement the power of supervisors in accordance with the related law, the supervisors may attend the meetings of Board of Directors to present their opinions, but have no voting rights. The power of the supervisors is listed as follows:

- (4)To review the annual final account reports;
- (5)To supervise the business operation of the Company and audit all accounts of the Company; and
- (6)To implement any other matter in accordance with the relevant regulations and laws.

Section V Managerial Officer

Article 23

The Company may appoint one or more managerial officer. The appointment, discharge and the remuneration of the managerial officer shall be made in accordance with the Article 29 of the Company Act.

Section VI Accounting

Article 24

The fiscal year of the Company shall be from January 1 to December 31 of each year. The Company shall close accounts at the end of the year. At the close of each fiscal year, the Board of Directors shall prepare the following statements and records which shall be forwarded to the supervisors for their auditing not later than the 30th day prior to the meeting date of a general shareholders' meeting:

- (1) the business report;
- (2) the financial statements; and
- (3) the profit distribution or deficit compensation proposals.

Article 25

In the case that any profits is retained in a certain year, the Board of Directors shall allocate 2% to 6% of the profits as compensation for the employee and not more than 2% of the profits as compensation for the directors and supervisors. The above-mentioned term "profits" means profit before income tax before allocating of the compensation for the employees, directors and supervisors. However, in the case that any accumulated loss is remained, the Company shall reserve a certain amount to offset such losses, then the balance left shall be allocated according to the foresaid principle.

The compensation for the employees may be made either by stock or by cash, the compensation for directors and supervisors may only be made by cash. The compensation shall under the resolution by the meeting of the Board of Directors and report at the shareholders' meeting.

Article 25-1

For each fiscal year, if there is any profits, the Company shall firstly cover the accumulated deficit, including adjusting the amount of undistributed retained earnings. Then, the Company shall set aside 10% of such profits as a legal reserve. However, when the accumulated legal reserve amounts to the total capital of the Company, this shall not apply. After the Company set aside or reverse another sum as the special reserve whenever necessary or in accordance with relevant laws or

regulations, if there is still any earnings including undistributed retained earnings, the Board of Directors shall propose a profit distribution proposal and submit the proposal thereof to the shareholders' meeting for resolution.

For improving the financial structure of the Company and consider the interests of investors, the Company shall adopt a balance dividend policy. As a principle, the Company shall distribute earnings at the rate over 50% of total earnings, and to distribute cash dividend at the rate over 10% of total distribution. If the dividend is less than three dollars New Taiwan Dollars in a year, the Company may distribute by only stock dividend.

Section VII Supplemental Provisions

Article 26

For the requirement of business operation, the total amount of the Company's reinvestment shall not apply to the limitation that the investment shall not exceed forty percent of the Company's paid-up capital, which set forth in Article 13 of the Company Act. Any matters regarding the reinvestment shall be deemed effective after being resolved in the meeting of Board of Directors and being recorded in the Meeting Minutes.

Article 27

The organization charter of the Company and its detail procedures shall be determined by the Board of Directors.

Article 28

Regarding any matters not provided for in these Articles, the Company Act and other relevant laws and regulations shall govern.

Article 29

This Article of Incorporation was established on November 16, 2000.

The first Amendment was entered into force as of April 22, 2002.

The second Amendment was entered into force as of May 10, 2002.

The third Amendment was entered into force as of March 6, 2003.

The fourth Amendment was entered into force as of April 14, 2003.

The fifth Amendment was entered into force as of April 24, 2003.

The sixth Amendment was entered into force as of July 3, 2003.

The seventh Amendment was entered into force as of December 1, 2003.

The eighth Amendment was entered into force as of December 6, 2004.

The ninth Amendment was entered into force as of May 15, 2006.

The tenth Amendment was entered into force as of September 16, 2011.
The eleventh Amendment was entered into force as of September 25, 2012.
The twelfth Amendment was entered into force as of June 21, 2013.
The thirteenth Amendment was entered into force as of June 9, 2014.
The fourteenth Amendment was entered into force as of July 25, 2014.
The fifteenth Amendment was entered into force as of February 5, 2015.
The sixteenth Amendment was entered into force as of June 1, 2015.
The seventeenth Amendment was entered into force as of June 17, 2016.
The eighteenth Amendment was entered into force as of July 27, 2018.
This Article of Incorporation shall take effect after the resolution of the meeting of the shareholders.

2. Rules and Procedures of Shareholder's Meeting

Lumosa Therapeutics Co., Ltd.

Rules and Procedures of Shareholder's Meeting

Article 1

Shareholders' Meeting of the Company (the "Meeting") shall be conducted in accordance with these Rules and Procedures, except as otherwise provided by law, regulation, or the articles of incorporation.

Article 2

A sign-in booklet has been installed for shareholders to sign in or shareholders are required to bring their attendance certification to attend the meeting. The number of shares represented by shareholders shall be based on the sign-book or the number of sign-in cards submitted.

Article 3

Attendance and votes of the Meetings shall be counted based upon the number of shares in attendance.

Article 4

The location of the Meetings shall be either where the Company is located or any other place deemed convenient for the shareholders to attend and proper for holding such meeting. The Meetings shall be held no earlier than 9 a.m. and no later than 3 p.m. on the designated meeting date.

Article 5

The chairman of the Board of Directors shall be the chairman presiding at the meeting in the case that the Meeting is convened by the Board of Directors. If the chairman of the Board of Directors is absent, the chairman shall designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect an acting chairman of the Board of Directors among themselves. If the Meeting is convened by any other person entitled to convene the Meeting, such person shall be the chairman at the Meeting.

Article 6

The Company may designate legal attorneys, certified public accountants, or other related parties to attend the Meetings. Persons handling affairs of the Meeting

shall wear identification cards or badges.

Article 7

The process of the Meeting shall be tape-recorded and videotaped, and any tapes shall be preserved for at least one year.

Article 8

Chairman shall call the Meeting to order at the time scheduled for the Meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the chairman may postpone the time for the Meeting. The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in the aggregate. If after two postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one - third of the total outstanding shares, tentative resolutions may be made in accordance with Article 175, paragraph 1 of the Company Act. If during the process of the Meeting the number of outstanding shares represented by the shareholders present becomes sufficient to constitute the quorum, the chairman may submit the tentative resolutions to the Meeting for approval in accordance with Article 174 of the Company Act of the Republic of China.

Article 9

The agenda of the Meeting shall be set by the Board of Directors if the Meeting is convened by the Board of Directors. Unless otherwise resolved at the Meeting, the Meeting shall proceed in accordance with the agenda. The above provision applies to cases where the Meeting is convened by any person, other than the Board of Directors, entitled to convene such Meeting. Unless otherwise resolved at the Meeting, the chairman cannot announce adjournment of the Meeting before all the discussion items (including special motions) listed in the agenda are resolved. However, in the event that the Chairman adjourns the Meeting in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the Meeting.

Article 10

When a shareholder (or their respective representatives) present at the Meeting

wishes to speak, a Speech Note should be filled out with summary of the speech, the shareholder's number (or the number of Attendance Card) and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chairman. If any shareholder (or their respective representatives) present at the Meeting submits a Speech Note but does not speak, no speech should be deemed to have been made by such shareholder.

In case the contents of the speech of a shareholder are inconsistent with the contents of the Speech Note, the contents of actual speech shall prevail. Unless otherwise permitted by the chairman and the shareholder (or their respective representatives) in speaking, no shareholder shall interrupt the speeches of the other shareholders, otherwise the chairman shall stop such interruption

Article 11

Unless otherwise permitted by the chairman, each shareholder shall not, for each discussion item, speak more than two times (each time not exceeding 5 minutes). In case the speech of any shareholder violates all the above provision or exceeds the scope of the discussion item, the chairman may stop the speech of such shareholder.

Article 12

Any legal entity designated as proxy by a shareholder(s) to be present at the Meeting may appoint only one representative to attend the Meeting. If a Company shareholder designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item.

Article 13

After the speech of a shareholder, the chairman may respond himself/herself or appoint an appropriate person to respond.

Article 14

The chairman may announce to end the discussion of any resolution and go into voting if the Chairman deems it appropriate.

Article 15

The chairman shall appoint ballot inspectors and calculation officials, and the inspectors must possess shareholder status. The Ballots result shall be announced and recorded in the Meeting.

Article 16

During the Meeting, the chairman may, at his discretion, set time for intermission.

Article 17

Unless otherwise provided for in the Company Act or Company Rules, a motion approved by more than one-half of the votes constitutes final approval. The chairman rules that a resolution may be decided by either a vote or by asking for objections.

Article 18

If there is amendment to or substitute for a discussion item, the chairman shall decide the sequence of voting for such discussion item, the amendment or the substitute. If any one of them has been adopted, the others shall be deemed vetoed and no further voting is necessary.

Article 19

The chairman may conduct the disciplinary officers (or the security guard) to assist in keeping order of the Meeting place. Such disciplinary officers (or security guards) shall wear badges marked "Disciplinary Officers" for identification purpose.

Article 20

Regarding any matters not provided for in these Articles, the Company Act and other relevant laws and regulations shall govern.

Article 21

These Rules and Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.

These Rules and Procedures was established on February 5, 2015.

3. Rules for Election of Directors and Supervisors

Lumosa Therapeutics Co., Ltd.

Procedures for Election of Directors and Supervisors

Article 1

These procedures enacted for the purpose to ensure a just, fair, and open election of directors and supervisors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2

Except as otherwise provided by law and regulation or by the company's articles of incorporation, elections of directors and supervisors shall be conducted in accordance with these Procedures.

Article 3

The overall composition of the board of directors shall be taken into consideration in the selection of the Company's directors. Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:

1. The ability to make judgments about operations.
2. Accounting and financial analysis ability.
3. Business management ability.
4. Crisis management ability.
5. Knowledge of the industry.
6. An international market perspective.
7. Leadership ability.
8. Decision-making ability.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

Article 4

Supervisors of the Company shall meet the following qualifications:

1. Integrity and a practical attitude.
2. Impartial judgment.
3. Professional knowledge.
4. Broad experience.
5. Ability to read financial statements.

In addition to the requirements of the preceding paragraph, at least one among the supervisors of the Company must be an accounting or finance professional.

At least one supervisor position must be held by a person having neither a spousal relationship nor a relationship within the second degree of kinship with any other supervisor or with any director.

A supervisor may not serve concurrently as the director, managerial officer, or any other employee of the Company, and at least one of the supervisors must be domiciled in the Republic of China to be able to promptly fulfill the functions of supervisor.

Article 5

The qualifications for the independent directors of the Company shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

The election of independent directors of the Company shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.

Article 6

Elections of both directors and supervisors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.

Article 7

The cumulative voting method shall be used for election of the directors and supervisors at the Company. Each share will have voting rights in number equal to

the directors or supervisors to be elected, and may be cast for a single candidate or split among multiple candidates.

Article 8

The board of directors shall prepare separate ballots for directors and supervisors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 9

The number of directors and supervisors will be as specified in the Company's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chairman drawing lots on behalf of any person not in attendance. A candidate simultaneously elected as a director or a supervisor shall, at the candidate's own discretion, decide to serve as either director or supervisor. The person with second highest number of votes shall be the director and supervisor.

Article 10

Before the election begins, the chairman shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 11

If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card

number. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.

Article 12

A ballot is invalid under any of the following circumstances:

1. The ballot was not prepared by the board of directors.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable or has been altered.
4. The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.
5. Other words or marks are entered in addition to the candidate's account name or shareholder account number (or identity card number) and the number of voting rights allotted.
6. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.
7. The number of write-in candidates is two or more than two candidates.

Article 13

The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors or supervisors and the numbers of votes with which they were elected, shall be announced by the chairman on the site.

Article 14

The board of directors of the Company shall issue notifications to the persons

elected as directors or supervisors.

Article 15

These Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.

These Procedures was established on February 5, 2015.

The first Amendment was entered into force as of June 17, 2016.

4.Shareholding of Directors and Supervisors

Lumosa Therapeutics Co., Ltd.

Shareholding of Directors and Supervisors

1.The minimum shareholding required for all Directors and Supervisors by law are listed as follows:

Position	Required shares by law	Shares on the book closure date
Directors	9,061,970	53,368,505
Supervisors	906,197	1,893,539

Note: Book closure date: April 12, 2021

2.Current Shareholding of Directors and Supervisors

Position	Name	Shares on the book closure date
Chairman	Chang Hai Tsai	1,310,000
Director	Jung Chin Lin Representative of Center Laboratories, Inc.	50,159,336
Director	Wann Lai Cheng Representative of Center Laboratories, Inc.	50,159,336
Director	Chung Hao Tasi Representative of BioEngine Technology Development Inc.	1,898,169
Director	De Fu Hsieh 順晟藥品有限公司	1,000
Independent Director	Chih Hsiung Wu	0
Independent Director	Chih Yung Chin	0
Supervisor	Hsueh Lin Wang	440,000
Supervisor	Yi Hsiung Chang	200,000
Supervisor	I Chi Kao Representative of LeJean Biotech Co., Ltd.	1,253,539

Note: Book closure date: April 12, 2021