

Table of Contents

I. Meeting Procedure	1
II. Meeting Agenda	2
1. Call the Meeting to Order	2
2. Chairperson Remarks	2
3. Report Items	2
4. Proposed Resolutions	4
5. Discussions	4
6. Election of the Directors	10
7. Other Business and Special Motions	11
8. Questions and Motions	13
9. Adjournment	13
III. Attachment	14
1. Business Report	14
2. Audit Committee’s Review Report	19
3. The 2023 remuneration of directors	20
4. Independent Auditors’ Report and 2023 Consolidated Financial Statements	21
5. Independent Auditors’ Report and 2023 Individual Financial Statements	33
6. 2023 Deficit Compensation Statement	41
7. Comparison Table for the Articles of Incorporation	42
8. Comparison Table for the Rules and Procedures of Shareholder’s Meeting	45
9. Securities Underwriters Evaluation Opinion	47
10. List of Director and Independent Director Candidate s	57
IV. Appendix	62
1. Articles of Incorporation	62
2. Rules and Procedures of Shareholder’s Meeting	72
3. Procedures for Election of Directors	92
4. Shareholding of Directors	97

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 Motions**
- 8. Questions and Motions**
- 9. Adjournment**

II. Meeting Agenda

Meeting Time: 9:00 AM, May 2, 2024 (Thursday)

Location: Rm.423, 4F., Building E, No. 19-11, Sanchong Rd., Nangang Dist., Taipei

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

1. Call the Meeting to Order

2. Chairperson Remarks

3. Report Items

A. 2023 Business Reports

Description:

Please refer to Appendix 1 on pages 14~18 for the 2023 Business Report.

B. 2023 Audit Committee Review Report

Description:

Please refer to Appendix 2 on page 19 for the 2023 Audit Committee Review Report.

C. Execution Report on the Robust Operational Plan for the 2021 Cash Capital Increase through New Share Issuances

Description:

- (1). In accordance with the Letter No. 1100356957 issued by the Financial Supervisory Commission on September 27, 2021, the Company's filing of a robust operational plan for the cash capital increase through new share issuances shall have its execution status reported to the Board of Directors for monitoring on a quarterly basis and shall be reported to the shareholders' meeting.
- (2). The achievement rate for the 2023 R&D expenditure budget was 76.81%, primarily due to the deferral of clinical trial expenses for the LT3001 for the treatment of acute ischemic stroke; decreased personnel costs led to a 69.32% achievement rate for the management expense budget. Additionally, the non-operating income in 2023 mainly consisted of valuation gains from the equity investment in Ever Fortune AI Co., Ltd.

D. Report on the Execution of Private Placement

Description:

At the annual shareholders' meeting on May 31, 2023, the Company obtained approval for a private cash capital increase through the issuance of common shares, with the total number of shares not exceeding 70,000,000. The issuance is planned to be conducted in

one or two tranches within one year from the date of the shareholders' meeting resolution. The Company will convene a Board meeting before the expiration of this period to determine whether to proceed with the relevant matters pertaining to this private placement.

E. Report on Accumulated Deficits Reaching Half of Paid-in Capital

Description:

As of December 31, 2023, the Company's accumulated deficit amounted to NT\$1,494,137,733, reaching half of the paid-in capital of NT\$1,649,738,250. In accordance with Article 211 of the Company Act, this matter is being reported to the shareholders' meeting.

F. The 2023 Directors' Remuneration

Description:

- (1). The Company's policies, systems, standards, and structures for compensating directors and independent directors are described as follows, and the correlation between compensation amounts and factors such as responsibilities assumed, risks involved, and time committed are also explained:
 - a. In accordance with Lumosa's Articles of Incorporation, if the Company reports profits for the year, an amount not exceeding 2% of said profits shall be allocated as compensation to directors. However, if the Company has accumulated deficits, a reserve shall be set aside to offset the deficits before any amount is allocated for directors' compensation based on the aforementioned ratio.
 - b. The Company conducts an annual performance evaluation for the Board of Directors for 2023 in accordance with the "Board Performance Evaluation Measures" (evaluating criteria include five aspects: level of participation in company operations, enhancement of board decision quality, board composition and structure, director selection and continuing education, and internal controls) as well as self-evaluation by each director for 2023 (evaluation criteria include six aspects: grasp of company objectives and duties, awareness of director responsibilities, level of participation in company operations, internal relationship management and communication, director expertise and continuing education, and internal controls). The Board of Directors determines directors' compensation by considering the evaluation results, each director's level of participation and contribution to company operations, and referencing common industry standards. The

performance evaluation approach for independent directors is the same as described above. However, as the Company did not generate profits in 2023, only fixed compensation and meeting attendance fees were paid to independent directors.

- (2). For details on directors' compensation in 2023, please refer to Appendix 3 on Page 20 of this handbook.

4. Proposed Resolutions

A. Please Approve the 2023 Business Report and Financial Statements. (Proposed by the Board)

Description:

- (1). The Company's 2023 financial statements (including consolidated financial statements) have been audited and completed by Sheng-wei Teng and Yu-fang Yen of Deloitte & Touche LLP, Certified Public Accountants.
- (2). Please refer to Appendix 1 on pages 14~18, Appendix 4 on pages 21~30, and Appendix 5 on pages 31~40 for the 2023 Business Report, 2023 Auditors' Report, and 2023 Financial Statements (including consolidated financial statements).

Resolution:

B. Please Approve the Proposed 2023 Deficit Compensation Plan. (Proposed by the Board)

Description:

Please refer to Appendix 6 on page 41 for the 2023 Deficit Appropriation

Resolution:

5. Discussions

A. Please Discuss the Proposal to Amend Certain Provisions of the "Articles of Incorporation." (Proposed by the Board)

Description:

In accordance with the regulations of the competent authorities and the operating conditions of the Company, the following article of the Company's "Article of Incorporation" have been revised. Please refer to Appendix 7 on pages 42~44 for the table of comparison between the revised and previous articles.

Resolution:

B. Please Discuss the Proposal to Amend Certain Provisions of the "Rules of Procedure for Shareholders' Meetings." (Proposed by the Board)

Description:

In response to recent changes in the law, the following articles of the Company's "Rules of Procedures for Shareholders' Meetings" have been revised. Please refer to Article 8 on pages 45~46 for the table of comparison between the revised and previous articles.

Resolution:

C. Please Discuss the Proposal to Issue New Shares through Private Placement for Cash Capital Increase (Proposed by the Board)

Description:

(1). The Company intends to conduct a private placement of common shares to raise cash for working capital and to improve its financial structure. The number of shares to be issued and the issue price will be determined based on market conditions and the Company's funding needs.

- a. Total number of shares to be issued: up to 20,000,000 shares
- b. Par value per share: NT\$10 (US\$ 0.31)
- c. Total amount of the private placement: to be determined based on the actual issue price and the actual number of shares issued.

(2). In accordance with Article 43-6 of the Securities and Exchange Act, details regarding the private placement are provided as follows:

- a. Basis and reasonableness for determining the private placement pricing

The reference price shall be calculated based on the higher of the following two criteria:

- i. The simple arithmetic mean of the closing prices of common shares for either the 1, 3, or 5 business days preceding the pricing date, after adjusting for the effect of ex-rights or ex-dividend events associated with free share issuances and cash dividends, and adding back the effect of the reverse share split.
- ii. The simple arithmetic mean of the closing prices of common shares for the 30 business days preceding the pricing date, after adjusting for the effect of ex-rights or ex-dividend events associated with free share issuances and cash dividends, and adding back the effect of the reverse share split.

The issue price per share for this private placement shall in principle be set at no less than 80% of the reference price. However, the Board of Directors will be authorized by the shareholders' meeting to determine the actual pricing date and issue price in accordance with relevant laws

and regulations as well as the market conditions prevailing at the time of the private placement issuance. The determined issue price shall be announced within two days.

b. Method of selecting specific private placement investors.

The targets of this private placement of securities are the specific persons who meet the requirements of Article 43-6 of the Securities and Exchange Act, the regulations of the Financial Supervisory Commission's Financial Securities Issuance Office No. 1120383220 dated September 12, 2023, and the second paragraph of Article 4 of the "Directions for Public Companies Conducting Private Placements of Securities."

i. The following table lists the Company insiders and related parties who are expected to participate in the private placement.

Item	Subscriber	Relationship with the Company
1	Jung-Chin Lin	Chairperson of the Company / Representative of Center Laboratories, Inc., a Corporate Director of the Company
2	Center Laboratories, Inc.	Corporate Director
3	Bioengine Technology Development Inc.	Corporate Director
4	Shun Cheng Pharmaceutical Co.	Corporate Director
5	Wann-Lai Cheng	Representative of Center Laboratories, Inc., a Corporate Director of the Company
6	Su-Chi Wang	Designated Representative of Bioengine Technology Development Inc., a Corporate Director of the Company / Chairperson of Center Laboratories, Inc., a Corporate Director of the Company
7	De-fu Hsieh	Designated Representative of Shun Cheng Pharmaceutical Co., a Corporate Director of the Company
8	Chung Hao Tasi	Director
9	Syue-Ling Wang	Director

10	Hui-Yuan Kuo	Managerial officer
11	Nai-Jing Liou	Managerial officer
12	Shu-Hua Li	Managerial officer
13	Sheng-Wen Yeh	Managerial officer
14	Chia-Chi Yang	Managerial officer

The method and purpose of selecting the aforementioned subscribers are to consider insiders who have a certain understanding of the Company's operations and who can directly or indirectly benefit the Company's future operations.

The following matters should be disclosed if the subscriber is a legal person:

Corporate subscriber	Top 10 shareholders of the entity (shareholding ratio)	Relationship with the company
Center Laboratories, Inc.	1. Lirong Technology Co., Ltd. (8.70%) 2. Royal Foods Co., Ltd. (5.99%) 3. Jason Technology Co., Ltd. (2.37%) 4. Farglory Life Insurance Co., Ltd. (1.63%) 5. Youde Investment Advisory Co., Ltd. (1.38%) 6. MasterLink Securities Corporation (1.07%) 7. Mumozi Inc. (1.03%) 8. Yong Lien Co., Ltd. (1.00%) 9. Wei-Chen Investments Co., Ltd. (0.89%) 10. JPMorgan Chase in custody for Vanguard Star Funds, Vanguard	1. The chairperson of Liron Technology is the spouse of the Chairperson of the Company 2. The chairperson of Royal Foods is the same person as the Chairperson of the Company 3. The chairperson of Jason Technology is the spouse of the Chairperson of the Company 4. Shareholders of the Company 5. The chairperson of Youde Investment Advisory is the representative of the corporate director of the Company 6. N/A 7. N/A 8. The chairman of Yong Lien is the spouse of the representative of the corporate director the Company 9. NA 10. NA

Corporate subscriber	Top 10 shareholders of the entity (shareholding ratio)	Relationship with the company
	Total International Stock Index Fund (0.86%)	
BioEngine Technology Development Inc.	Center Laboratories, Inc. (100%)	Director
Shun Cheng Pharmaceutical Co.	1. Chuan-Pi Chung (60%) 2. Chien-Chih Liu (40%)	1.NA 2.NA

ii. If the subscriber is a strategic investor

(i). Method and purpose

The fundraising is based on the principle of providing the Company with various management and financial resources needed to assist its operations, providing business management technology, strengthening financial cost management, assisting in R&D project development, and in/out licensing.

(ii). Necessity and expected benefits

Given that the development cycle of new drugs is long, the development risk is high, and a large amount of capital investment is required to complete the development, it is indeed necessary to introduce strategic investors who can assist the Company in obtaining various resources needed for its operation. If strategic investors can be successfully introduced, it is expected that they can assist in the introduction and development of new R&D projects in the future, disperse risks, and be beneficial to the Company's long-term operation and development.

iii. The Company has not yet identified specific subscribers for this private placement. All matters related to the identification of specific subscribers are proposed to be fully authorized by the shareholders' meeting to the Board of Directors for handling.

c. Rationale for conducting the private placement

i. Reasons for not pursuing a public offering: Due to challenges in accurately assessing market conditions for fundraising, as well as considerations related to timeliness, convenience, and issuance

costs, coupled with the restricted transferability of privately placed common shares which better ensures a long-term collaborative relationship between the Company and its investment partners, the Company has decided to conduct a cash capital increase through the issuance of new shares via private placement rather than a public offering.

- ii. Private placement amount: The number of shares to be issued is capped at 20,000,000 common shares and the Board of Directors is authorized to complete the private placement in one or two tranches within one year from the date of the shareholders' meeting resolution. If the private placement is completed in two tranches, the number of shares issued in the first tranche shall not exceed 10,000,000 shares. In the second tranche, the unissued shares from the first tranche can be issued together with all the shares, but the total number of shares issued shall not exceed 20,000,000 shares.
- iii. Use of funds raised from the private placement: The funds raised from the private placement, whether in one or two tranches, will be used to replenish working capital to meet the Company's long-term development needs.
- iv. Expected benefits: The funds raised from the private placement, whether in one or two tranches, will be used to strengthen the Company's competitiveness, improve operational efficiency, and improve financial structure. This will also have a positive impact on shareholder equity.

(3). Impact of this private placement on the Company's management control:

The Company has currently issued 164,973,825 shares and the maximum number of shares to be privately placed in this transaction is 20,000,000 shares. If all the shares are issued and subscribed by non-Company insiders, the total number of shares privately placed will account for 10.81% of the share capital after the private placement. Please refer to Appendix 9 on pages 47~56.

(4). Rights and obligations of the privately placed common shares:

The rights and obligations of the privately placed common shares are the same as those of the Company's existing common shares. However, according to the provisions of the Securities and Exchange Act, privately placed common shares cannot be freely transferred within three years from the date of delivery of the

privately placed securities, except for the transfer targets specified in Article 43-8 of the Securities and Exchange Act. The Company will apply to the competent authority for supplementary public issuance and listing after three years from the date of delivery in accordance with relevant regulations.

- (5). The main contents of the private placement plan, include the following except for the private placement price: actual issue price, number of shares, issuance terms, project items, raised amount, expected progress, expected benefits, and all other matters related to the issuance plan, will be submitted to the shareholders' meeting for approval and authorized the Board of Directors to adjust, formulate and implement according to market conditions. In the future, if the plan needs to be revised due to instructions from the competent authority or based on operational assessment or objective environmental needs, the Board of Directors is also authorized to handle it fully.
- (6). In order to cooperate with the private placement of securities this time, it is proposed to request the shareholders' meeting to authorize the chairman or other designated persons to sign and negotiate all contracts and documents related to this private placement plan on behalf of the company, and to handle all matters related to this private placement plan.
- (7). For any matters not covered above, the Board of Directors is fully authorized to handle them in accordance with the relevant laws and regulations.

Resolution:

6. Election of the Directors

A. Please Conduct the Election of the Directors (Proposed by the Board)

Explanation:

- (1). The term of the current Board of Directors will expire on July 6, 2024. A full re-election is proposed to be conducted at this Annual Shareholders' Meeting.
- (2). In accordance with Article 14 of the Company's Articles of Incorporation, nine (9) directors shall be elected (including four (4) independent directors). The term of the newly elected directors shall commence immediately after the conclusion of this Shareholders' Meeting, spanning from May 2, 2024 to May 1, 2027, for a period of three years.
- (3). The election of directors (including independent directors) shall adopt a candidate nomination system. The list of director (including independent director) candidates has been approved by the Company's Board of Directors on March 20, 2024. Please refer to Appendix 10 on pages 57~61 for the list of director

(including independent director) candidates.

Election resolution:

7. Other Business and Special Motions

A. Please Discuss the Proposal to Lift Non-competition Restrictions on Directors. (Proposed by the Board)

Explanation:

- (1). In accordance with Article 209 of the Company Act, directors engaging in conduct, either for themselves or others, that falls within the scope of the Company's business operations, shall explain the important details of such conduct to the shareholders' meeting and obtain approval.
- (2). The positions held by the director (including independent director) candidates in other companies is listed below:

Position	Name	Participation in Competitive Business
Director	Center Laboratories, Inc.	Director/Chairperson, Mycenax Biotech Inc. Director, BioGend Therapeutics Co.,Ltd. Director, Medeon Biodesign, Inc. Director/Chairperson, Bioengine Technology Development Inc. Director, Ever Supreme Bio Technology Co., Ltd. Director, Ever Fortune AI Co., Ltd. Director, Cytoengine Co., Ltd. Chairperson, Krisan Biotechnology Corp. Director, Efficient Pharma Management Corp. Director, Bioflag Int'l Corp. (Cayman)
Director	Jung Chin Lin, Representative of Center Laboratories, Inc.	Director, Biogend Therapeutics Co., Ltd. Director, Medeon Biodesign, Inc. (as corporate representative) Director, Adimmune Corp. (as corporate representative) Director, Bioengine Technology Development Inc. (as corporate representative) Chairperson, Krisan Biotechnology Corp. (as corporate representative) Chairperson, Cytoengine Co., Ltd. (as corporate representative) Chairperson, Royal Foods Co., Ltd. Director, Bioflag Int'l Corp. (Cayman) (as corporate representative) Chairperson, Glac Biotech Co., Ltd. (as corporate representative) Chairperson, Ausnutria Dairy (Taiwan) Nutrition (as corporate representative) Director, Youluck Int'l Inc. (as corporate representative)

Position	Name	Participation in Competitive Business
		<p>Director, A2+ Biotech Consulting</p> <p>Director, Beijing Shundu Pharmaceutical Research Institute Co., Ltd.</p> <p>Director, Shanghai Bao Pharma Co., Ltd.</p> <p>Director, Centergene Pharmaceuticals Co., Ltd.</p> <p>Director, Scindy Pharmaceutical (Suzhou) Co., Ltd.</p>
Director	Wann Lai Cheng Representative of Center Laboratories, Inc.	<p>Chairperson, Browave Corporation</p> <p>Director, Glac Biotech Co., Ltd. (as corporate representative)</p> <p>Chairperson, Lumosa Therapeutics Co., Ltd. (Cayman)</p> <p>Chairperson, Shanghai Lumosa Therapeutics Co., Ltd.</p>
Director	Hsueh Ling Wang	<p>Vice Chairperson, Sun Ten Pharmaceutical Co., Ltd. (as corporate representative)</p> <p>Director, Sun Ten Natureceutica Co., Ltd. (as corporate representative)</p> <p>Chairperson, Ho Li Ltd.</p> <p>Chairperson, Sunbeaus Co., Ltd. (as corporate representative)</p> <p>Director, Sun Ten Int'l Investment Co. Ltd.</p> <p>Director, Herbiotek Co., Ltd. (as corporate representative)</p>
Independent director	Chih Hsiung Wu	<p>Director, Medeon Biodesign Inc. (as corporate representative)</p> <p>Chairperson, V-CHECK, Inc.</p> <p>Superintendent-level Attending Physician, En Chu Kong Hospital</p> <p>Chair Professor, Taipei Medical University</p>
Independent director	Chih Yung Chin	<p>Director, Leading Change International CPA Firm</p> <p>Independent Director, Space Shuttle Hi-Tech Co., Ltd.</p> <p>Independent Director, Patec Precision Industry Co., Ltd.</p> <p>Member, Accounting Research and Valuation Committee of the National Federation of CPA Associations of ROC</p> <p>Member, Taxation Committee, Taipei CPA Association</p>
Independent director	Hai I Ma	<p>Director, Formosa Pharmaceuticals, Inc.</p> <p>Independent director, Steminent Biotherapeutics Inc.</p> <p>Director, Senhwa Biosciences, Inc.</p> <p>Director, Handa Pharmaceuticals, Inc.</p> <p>Venture Partner, Vivo Capital LLC.</p> <p>Director, Obigen Pharma, Inc. (as corporate representative)</p> <p>Advisor, National Health Research Institute, Taiwan</p> <p>Executive Director and Chairperson of the Industry Committee of Taiwan Bio Industry Organization</p>
Independent	Hsin-Jung Lin	<p>Superintendent, Hualien Tzu Chi Hospital, Budddhist Tzu Chi Medical Foundation</p>

Position	Name	Participation in Competitive Business
director		R&D Chief, Bioinnovation Center, Buddhist Tzu Chi Medical Foundation Professor of Neurosurgery, School of Medicine, Tzu Chi University Advisory Committee, Taiwan Neurosurgical Society Honorary Chairperson, International College of Surgeons-Taiwan Section Charter Fellow, National Academy of Inventors, USA (NAI) AAAS Fellow, American Association for the Advancement of Science Fellow, American Institute for Medical and Biological Engineering (AIMBE) (USA)

Resolution:

8. Questions and Motions

9. Adjournment

III.Attachment

1. Business Report

2023 Annual Report

Lumosa positions itself as the “new drug development harbor in Taiwan.” We expedite the realization of the company’s values through the introduction of early-stage new drugs, optimization of development strategies, and flexible and diversified global licensing layouts. The Company is fully committed to developing LT3001, a novel therapeutic for acute ischemic stroke. Three pivotal Phase 2 clinical trials have been simultaneously initiated across multiple sites in Taiwan, the US, Europe and China. Progress has been favorable thus far, and upon successful proof-of-concept validation, Lumosa intends to pursue international licensing opportunities upon successful proof-of-concept validation. As for Lumosa’s LT1001, a long-acting analgesic injection, additional market approvals were obtained in Ukraine and Brunei in 2023, bringing the total number of authorized markets to six, which includes Taiwan, Singapore, Thailand and Malaysia. The veterinary version has successfully advanced to the pivotal field study phase and is steadily progressing towards global expansion. Furthermore, Lumosa is actively establishing a new drug incubation platform, continuously exploring the potential of exosomes, allogenic cell therapies, and gene therapies. With dedicated resource allocation and leveraging our established network and influence, we aim to develop the next groundbreaking product.

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 product marketing.

2023 Operational Highlights

Implementation Status

Since the launch of LT1001, the extended-release analgesic injection (Naldebain®), our Taiwanese marketing partner AMed has been responsible for its promotion and sales in Taiwan, focusing on the postoperative pain relief self-pay market. The product has progressively entered medical centers and clinics, expanding the indications from hemorrhoid surgery to obstetrics, gynecology, abdominal surgery, orthopedics, and beyond, continuously broadening the target population. In addition, working with AMed, the Company is expanding into Southeast Asia, obtaining market authorization from Brunei in 2023, after receiving approvals from Singapore (2020), Thailand (2021), and Malaysia (2022). LT1001 also received approval from Ukraine in

2023, laying the foundation for entering the markets in Central Asia and Eastern Europe. To further enhance the international presence of LT1001, Lumosa has successively secured licensing agreements in China, South Korea, Jordan, and India to accelerate global commercialization efforts. Lumosa looks forward to leveraging our deep-rooted presence in international markets to bring stable cash flow to the Company.

Lumosa’s LT3001 is a first-in-class novel therapy for acute ischemic stroke that has dual-function for thrombolysis and neuroprotection. Three pivotal Phase 2 clinical trials are currently underway, including single-dosing and multiple-dosing of LT3001 in combination with mechanical thrombectomy to be conducted in the US, Taiwan, Europe, and China. Two of the multi-national clinical trials conducted by Lumosa and the clinical trial in China led by Shanghai Pharmaceutical, Lumosa’s partner in China, were initiated. Furthermore, LT3001 received approval for formulation patent from USPTO in 2023, extending the patent protection period until 2040 after market launch. Further extension of the patent protection may be achieved through dosing methods. LT3001 was granted the US FDA’s fast track designation in 2022, which will help shorten the review time and expedite the approval process. Lumosa looks forward to creating the maximum value of the product through a comprehensive product strategy layout, combined with diverse clinical trial design scenarios.

To enrich the pipeline, Lumosa is actively building a new drug incubation platform. Through licensing, introduction, and investment models, the Company is dedicating resources to the development of cutting-edge technologies. Lumosa continues to explore the potential of innovative technologies such as exosomes, allogeneic cell and gene therapies to establish Lumosa’s sustainable business model.

Operational Plan Implementation Results and Budget Execution

The major income for Lumosa in 2023 is from the sales of Naldebain® royalties, and revenues from supplying LT3001 to Shanghai Pharmaceutical. The gross profit is 41,481 thousand New Taiwan dollars (or approximately 1,300 thousand US dollars). The operational loss in 2023 is 375,777 thousand New Taiwan dollars (or approximately 11,761 thousand US dollars) as Lumosa continues to invest in R&D. The total asset by December 31, 2023, is 1,656,279 thousand dollars (or approximately 51,891 thousand US dollars) with a debt balance of 227,694 thousand dollars (or approximately 7134 US dollars); 1,428,105 thousand dollars (or approximately 44,743 thousand US dollars) are in the forms of cash, timed deposits, and marketable securities. The financial structure is sound and healthy.

Item	2022	2023
Return on assets (%)	(23.83)	(14.14)
Return on equity (%)	(26.39)	(15.71)

Item	2022	2023
Net profit before tax to paid-in capital ratio (%)	(30.93)	(15.16)
Net profit rate (%)	(1,893.56)	(439.83)
Earnings per share (NT\$)	(3.05)	(1.47)

Current Research and Development Status

LT1001 Extended-release analgesic injection:

Engage in global commercialization strategy. Other than seeking partnership for the international market, Lumosa also provides full support to licensing 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 to increase the economic benefits.

LT3001 Novel 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.

LT6001/CS026 Exosome Platform:

Currently undergoing animal proof-of-concept validation studies. Lumosa continues to conduct relevant research in the scale-up process.

In terms of intellectual protection, LT1001, the extended-release analgesic injection has submitted patent applications to more than 20 countries and has received approval from the US, Russia, Taiwan, India, Singapore, China. Reviewing is currently ongoing in European Union, Japan, and other major pharmaceutical markets. The new drug patent for LT3001, treatment for acute ischemic stroke, was granted in the US, China, Japan, and 14 other 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.

2023 Business Summary

Expected Sales Volume and Its Basis in 2023

The operational model taken by the Company involves the investment in the development of

new drugs, value maximization of the products, and the search of domestic or international pharmaceutical companies or distributors for out-licensing, co-development, or formation of a joint venture at an appropriate time to attain revenues for the company. This income may be from licensing fees, such as upfront or milestone payments, and royalties or sales of the product.

Production and Sales Policy

1. Establish a top R&D team and stringent project management system. Advancing new drug development and the nurture of 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 consisting 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 mergers and acquisitions among pharmaceutical companies are still growing strong and with a record-breaking amount. The regulation between different countries is 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, maximize product value by exploring new indications and formulations, and implement 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. Audit Committee's Review Report

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2023 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, Sheng-Wei, Teng and Yu-Fang, Yen 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 Audit Committee's of Lumosa Therapeutics Co., Ltd. According to Article 219 of the Company Act, we hereby submit this report.

Lumosa Therapeutics Co., Ltd.

The Audit Committee

Convener Chih Yung Chin

February 26, 2024

3. The 2023 remuneration of directors

Job title	Name	Remuneration to directors				Remuneration received by directors for concurrent service as an employee				Sum of A+B+C+D and ratio to net income		Sum of A+B+C+D+E+F+G and ratio to net income				Remuneration received from investee enterprises other than subsidiaries or from the parent company		
		Base compensation (A)	Retirement pay and pension(B)	Director profit-sharing compensation (C)	Expenses and perquisites (D)	Salary, rewards, and special disbursements (E)	Retirement pay and pension (F)	Employee profit-sharing compensation (G)		The Company	All consolidated entities	The Company	All consolidated entities	Amount in stock	Amount in cash			
Chairman	Jung Chin Lin Representative of Center Laboratories, Inc.	— —	— —	— —	30 30	1,200 1,200	— —	— —	— —	— —	— —	— —	— —	— —	— —	0.52% 0.49%	0.01% 0.01%	— —
Director	Wann Lai Cheng Representative of Center Laboratories, Inc.	— —	— —	— —	20 20	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	0.01% 0.01%	0.01% 0.01%	— —
Director	Su-Chi Wang Representative of BioEngine Technology Development Inc.	— —	— —	— —	— 25	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	— 0.01%	— 0.01%	— —
Director	順成藥品有限公司 Representative: De Fu Hsieh	— —	— —	— —	30 25	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	0.01% 0.01%	0.01% 0.01%	— —
Director	Hsueh Lin Wang	— —	— —	— —	25 25	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	0.01% 0.01%	0.01% 0.01%	— —
Director	Chung Hao Tasi	— —	— —	— —	25 66	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	0.01% 0.17%	0.01% 0.17%	— —
Independent Director	Chih Yung Chin	360 360	— —	— —	66 66	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	0.18% 0.17%	0.17% 0.17%	— —
Independent Director	Chih Hsiung Wu	360 360	— —	— —	66 66	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	0.18% 0.17%	0.17% 0.17%	— —
Independent Director	Hai I Ma	360 360	— —	— —	66 66	— —	— —	— —	— —	— —	— —	— —	— —	— —	— —	0.18% 0.17%	0.17% 0.17%	— —

1. Please describe the policy, system, standards and structure in place for paying remuneration to directors and describe the relationship of factors such as the duties and risks undertaken and time invested by the directors to the amount of remuneration paid.

The board of directors of the company considers the normal level of the industry and considers the company's current operating conditions. On October 5, 2016, the board of directors approved that the monthly remuneration of independent directors be NTS\$30,000.

2. In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company / any consolidated entities / invested enterprises) : NA.



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, 2023 and 2022, 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 material 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, 2023 and 2022, 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 that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. 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 2023 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 2023 consolidated financial statements are stated as follows:

Appropriateness of licencing revenue recognition

Description

Refer to Note 4(21) for accounting policies on licencing revenue and Note 6(17) 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, 2023. 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, assumptions related to impairment of intangible assets and Note 6(8) 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 unqualified opinion on the parent company only financial statements of Lumosa Therapeutics Co., Ltd. as at and for the years ended December 31, 2023 and 2022.

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 that came into effect 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 the audit committee, 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 Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Teng, Shang-Wei

Yen, Yu-Fang

Teng, Shang-Wei

Yen, Yu-Fang

For and on behalf of PricewaterhouseCoopers, Taiwan
February 26, 2024

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 Standards on Auditing of 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, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Assets	Notes	December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current Assets						
1100	Cash	6(1)	\$ 425,248	26	\$ 516,848	27
1136	Financial assets at amortised cost - current	6(3)	419,064	25	667,668	35
1170	Accounts receivable, net	6(4) and 7	12,003	1	13,998	1
1200	Other receivables	7	2,076	-	2,248	-
1220	Current income tax assets		16,056	1	15,734	1
130X	Inventory	6(5)	103,912	6	108,681	6
1410	Prepayments		65,655	4	60,876	3
1470	Other current assets		20	-	-	-
11XX	Total current assets		<u>1,044,034</u>	<u>63</u>	<u>1,386,053</u>	<u>73</u>
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6(2) and 12(3)	583,793	35	464,716	25
1600	Property, plant and equipment	6(6)	14,926	1	3,062	-
1755	Right-of-use assets	6(7) and 7	12,600	1	4,602	-
1780	Intangible assets	6(8)	603	-	26,932	2
1900	Other non-current assets		323	-	323	-
15XX	Total non-current assets		<u>612,245</u>	<u>37</u>	<u>499,635</u>	<u>27</u>
1XXX	Total assets		<u>\$ 1,656,279</u>	<u>100</u>	<u>\$ 1,885,688</u>	<u>100</u>
Liabilities and Equity						
Current liabilities						
2130	Contract liabilities - current	6(17)	\$ 3,036	-	\$ 6,882	-
2170	Accounts payable		1,493	-	992	-
2200	Other payables	6(9) and 7	56,650	4	49,686	3
2280	Lease liabilities - current	6(26) and 7	4,493	-	4,330	-
2365	Refund liabilities - current	6(10)	151,130	9	151,130	8
2399	Other current liabilities		2,775	-	2,339	-
21XX	Total current liabilities		<u>219,577</u>	<u>13</u>	<u>215,359</u>	<u>11</u>
Non-current liabilities						
2580	Lease liabilities - non-current	6(26) and 7	8,117	1	360	-
2XXX	Total liabilities		<u>227,694</u>	<u>14</u>	<u>215,719</u>	<u>11</u>
Equity attributable to shareholders of the parent						
Equity						
Share capital						
3110	Common share	6(13)	1,649,738	99	1,630,978	87
Capital surplus						
3200	Capital surplus	6(14)	1,362,550	82	1,268,438	67
Accumulated deficit						
3350	Deficit yet to be compensated	6(15)	(1,494,138)	(90)	(1,256,097)	(66)
Other equity interest						
3400	Other equity interest	6(16)	(117,452)	(7)	(13,530)	(1)
31XX	Equity attributable to shareholders of the parent		<u>1,400,698</u>	<u>84</u>	<u>1,629,789</u>	<u>87</u>
36XX	Non-controlling interests	4(3)	<u>27,887</u>	<u>2</u>	<u>40,180</u>	<u>2</u>
3XXX	Total equity		<u>1,428,585</u>	<u>86</u>	<u>1,669,969</u>	<u>89</u>
	Significant contingent liabilities and unrecognised contract commitments	9				
3X2X	Total liabilities and equity		<u>\$ 1,656,279</u>	<u>100</u>	<u>\$ 1,885,688</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, 2023 AND 2022

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT LOSS PER SHARE DATA)

Items	Notes	For the years ended December 31,			
		2023		2022	
		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(17) and 7	\$ 56,916	100	\$ 26,642	100
5000 Operating costs	6(5)	(15,435)	(27)	(12,081)	(45)
5900 Gross profit		41,481	73	14,561	55
Operating expenses	6(6)(7)(8)(11) (12)(21)(22) and 7				
6100 Selling expenses		(21,688)	(38)	(16,475)	(62)
6200 General and administrative expenses		(26,115)	(46)	(23,546)	(88)
6300 Research and development expenses		(369,303)	(649)	(280,459)	(1053)
6450 Expected credit impairment loss	12(2)	(152)	-	-	-
6000 Total operating expenses		(417,258)	(733)	(320,480)	(1203)
6900 Operating loss		(375,777)	(660)	(305,919)	(1148)
Non-operating income and expenses					
7100 Interest income	6(3)(18)	10,486	18	5,320	20
7010 Other income	6(19) and 7	10,760	19	2,977	11
7020 Other gains and losses	6(2)(7)(8)(20)	104,492	184	(206,674)	(776)
7050 Finance costs	6(7) and 7	(47)	-	(149)	-
7000 Total non-operating income and expenses		125,691	221	(198,526)	(745)
7900 Loss before income tax		(250,086)	(439)	(504,445)	(1893)
7950 Income tax expense	6(23)	(248)	(1)	(36)	-
8200 Loss for the year		(\$ 250,334)	(440)	(\$ 504,481)	(1893)
Components of other comprehensive (loss) income that will be reclassified to profit or loss					
8361 Financial statements translation differences of foreign operations	6(16)	(\$ 26)	-	\$ 22	-
8300 Other comprehensive (loss) income for the year		(\$ 26)	-	\$ 22	-
8500 Total comprehensive loss for the year		(\$ 250,360)	(440)	(\$ 504,459)	(1893)
Loss attributable to:					
8610 Shareholders of the parent		(\$ 238,041)	(418)	(\$ 494,661)	(1856)
8620 Loss attributable to non-controlling interests		(12,293)	(22)	(9,820)	(37)
		(\$ 250,334)	(440)	(\$ 504,481)	(1893)
Comprehensive loss attributable to:					
8710 Shareholders of the parent		(\$ 238,067)	(418)	(\$ 494,639)	(1856)
8720 Loss attributable to non-controlling interests		(12,293)	(22)	(9,820)	(37)
		(\$ 250,360)	(440)	(\$ 504,459)	(1893)
Loss per share (in dollars)	6(24)				
9750 Basic loss per share		(\$ 1.47)		(\$ 3.05)	
9850 Diluted loss per share		(\$ 1.47)		(\$ 3.05)	

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, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Equity attributable to shareholders of the parent										Total	Non-controlling interests	Total equity		
	Share capital					Capital surplus								Other equity interest	
	Common share	Share capital awaiting retirement	Share premium	Employee stock options	Employee restricted shares	Others	Deficit yet to be compensated	Financial statements translation differences of foreign operations	Unearned employee compensation						
Notes															
For the year ended December 31, 2022															
Balance at January 1, 2022	\$ 1,631,628	(\$ 150)	\$ 1,249,701	\$ 360	\$ 21,148	\$ 164	(\$ 761,436)	\$ 2,948	(\$ 25,776)	\$ 2,118,587	\$ -	\$ 2,118,587	-	\$ 2,118,587	
Loss for the year	-	-	-	-	-	-	(494,661)	-	-	(494,661)	(9,820)	(504,481)	-	(504,481)	
Other comprehensive income for the year	-	-	-	-	-	-	-	22	-	22	-	22	-	22	
Total comprehensive loss	-	-	-	-	-	-	(494,661)	22	-	(494,639)	(9,820)	(504,459)	-	(504,459)	
Employee stock options exercised	650	-	429	(266)	-	-	-	-	-	813	-	813	-	813	
Compensation costs of employee restricted stock	-	-	-	-	-	-	-	-	5,028	5,028	-	5,028	-	5,028	
Capital reduction through retirement and adjustment due to resignation of employee restricted shares forfeited	(1,500)	150	-	-	(3,098)	-	-	-	4,248	-	-	-	-	-	
Changes in non-controlling interest	-	-	-	-	-	-	-	-	-	-	50,000	50,000	-	50,000	
Balance at December 31, 2022	\$ 1,630,978	\$ -	\$ 1,250,130	\$ 94	\$ 18,050	\$ 164	(\$ 1,256,097)	\$ 2,970	(\$ 16,500)	\$ 1,629,789	\$ 40,180	\$ 1,669,969	\$ 40,180	\$ 1,669,969	
For the year ended December 31, 2023															
Balance at January 1, 2023	\$ 1,630,978	\$ -	\$ 1,250,130	\$ 94	\$ 18,050	\$ 164	(\$ 1,256,097)	\$ 2,970	(\$ 16,500)	\$ 1,629,789	\$ 40,180	\$ 1,669,969	\$ 40,180	\$ 1,669,969	
Loss for the year	-	-	-	-	-	-	(238,041)	-	-	(238,041)	(12,293)	(250,334)	-	(250,334)	
Other comprehensive loss for the year	-	-	-	-	-	-	-	(26)	-	(26)	-	(26)	-	(26)	
Total comprehensive loss	-	-	-	-	-	-	(238,041)	(26)	-	(238,067)	(12,293)	(250,360)	-	(250,360)	
Issuance of employee restricted stocks	18,900	-	-	-	94,954	-	-	-	(113,854)	-	-	-	-	-	
Employee stock options exercised	230	-	151	(94)	-	-	-	-	-	287	-	287	-	287	
Compensation costs of employee restricted stock	-	-	-	-	-	-	-	-	8,591	8,591	-	8,591	-	8,591	
Capital reduction through retirement and adjustment due to resignation of employee restricted shares forfeited	(370)	-	-	-	(997)	-	-	-	1,367	-	-	-	-	-	
Changes in other additional paid-in capital	-	-	-	-	-	98	-	-	-	98	-	98	-	98	
Balance at December 31, 2023	\$ 1,649,738	\$ -	\$ 1,250,281	\$ -	\$ 112,007	\$ 262	(\$ 1,494,138)	\$ 2,944	(\$ 120,396)	\$ 1,400,698	\$ 27,887	\$ 1,428,585	\$ 27,887	\$ 1,428,585	

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, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	For the years ended December 31,	
		2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Loss before income tax for the year		(\$ 250,086)	(\$ 504,445)
Adjustments			
Adjustments to reconcile loss			
Depreciation	6(6)(7)(21)	6,704	5,523
Amortisation	6(8)(21)	16,657	16,642
Expected credit impairment loss		152	-
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	6(2)(20)	(119,077)	217,396
Interest income	6(18)	(10,486)	(5,320)
Dividend income		(8,000)	-
Interest expense	6(7)	47	149
Compensation costs of employee restricted stock	6(12)(22)	8,591	5,028
Unrealised foreign exchange loss		1,004	237
Gains on lease modifications	6(7)(20)	-	(48)
Impairment loss	6(8)(20)	10,372	-
Changes in assets and liabilities relating to operating activities			
Changes in assets relating to operating activities			
Accounts receivable		1,843	(4,306)
Inventory		4,769	(26,296)
Other receivables		311	(1,428)
Prepayments		(4,779)	(1,710)
Other current assets		(20)	126
Changes in liabilities relating to operating activities			
Contract liabilities - current		(3,846)	2,202
Accounts payable		501	(13,508)
Other payables		6,964	3,307
Other current liabilities		436	406
Cash outflow generated from operations		(337,943)	(306,045)
Interest received		10,347	5,123
Interest paid		(47)	(149)
Income tax (paid) received		(570)	614
Net cash flows used in operating activities		(328,213)	(300,457)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortised cost - current		(945,872)	(1,105,272)
Proceeds from disposal of financial assets at amortised cost - current		1,193,472	1,027,255
Acquisition of financial assets at fair value through profit or loss	6(2)	-	(14,944)
Proceeds from disposal of financial assets at fair value through profit or loss		-	26,044
Acquisition of property, plant and equipment	6(6)	(14,316)	(2,285)
Acquisition of intangible assets	6(8)	(700)	-
Dividends received		8,000	-
Net cash flows provided by (used in) investing activities		240,584	(69,202)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Employee stock options exercised		287	813
Payments of lease liabilities	6(7)(26)	(4,330)	(4,647)
Changes in non-controlling interest	6(25)	-	50,000
Changes in other additional paid-in capital		98	-
Net cash flows (used in) provided by financing activities		(3,945)	46,166
Effect due to changes in exchange rate		(26)	22
Decrease in cash		(91,600)	(323,471)
Cash at beginning of year		516,848	840,319
Cash at end of year		\$ 425,248	\$ 516,848

The accompanying notes are an integral part of these 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 parent company only balance sheets of Lumosa Therapeutics Co., Ltd. (the “Company”) as at December 31, 2023 and 2022, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Independent auditors' responsibilities for the audit of the parent company only financial statements* section of our report. We are independent of the Company in accordance with the 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 Company's 2023 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2023 parent company only financial statements are stated as follows:

Appropriateness of licencing revenue recognition

Description

Refer to Note 4(21) for accounting policies on licencing revenue and Note 6(18) for details of licencing revenue.

The licencing revenue, service revenue and sales revenue are the main revenue sources of the Company for the year ended December 31, 2023. For licencing revenue, revenue is recognised based on the terms of the agreement with the licenced party. The Company 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 and Note 6(9) for details of intangible assets.

The Company 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 Company'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.

Responsibilities of management and those charged with governance for the parent company only financial statements

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

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

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

Independent auditors' responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only 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 parent company only 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 auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Teng, Shang-Wei

Yen, Yu-Fang

Teng, Shang-Wei

Yen, Yu-Fang

For and on behalf of PricewaterhouseCoopers, Taiwan
February 26, 2024

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

As the 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.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Assets		Notes	December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current Assets						
1100	Cash	6(1)	\$ 369,521	23	\$ 417,211	22
1136	Financial assets at amortised cost - current	6(3)	394,500	24	643,100	35
1170	Accounts receivable, net	6(4) and 7	12,003	1	13,998	1
1200	Other receivables	7	7,501	-	11,333	-
1220	Current income tax assets		16,018	1	15,729	1
130X	Inventory	6(5)	103,912	6	108,681	6
1410	Prepayments		62,300	4	59,381	3
1470	Other current assets		20	-	-	-
11XX	Total current assets		<u>965,775</u>	<u>59</u>	<u>1,269,433</u>	<u>68</u>
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	583,793	36	464,716	25
1550	Investments accounted for under equity method	6(6) and 7	69,861	4	87,741	5
1600	Property, plant and equipment	6(7)	2,211	-	3,062	-
1755	Right-of-use assets	6(8) and 7	12,600	1	4,602	-
1780	Intangible assets	6(9)	-	-	26,932	2
1900	Other non-current assets		323	-	323	-
15XX	Total non-current assets		<u>668,788</u>	<u>41</u>	<u>587,376</u>	<u>32</u>
1XXX	Total assets		<u>\$ 1,634,563</u>	<u>100</u>	<u>\$ 1,856,809</u>	<u>100</u>
Liabilities and Equity						
Current liabilities						
2130	Contract liabilities - current	6(18)	\$ 8,490	1	\$ 12,336	1
2170	Accounts payable		1,493	-	992	-
2200	Other payables	6(10) and 7	46,458	3	49,586	3
2280	Lease liabilities - current	6(26) and 7	4,493	-	4,330	-
2365	Refund liabilities - current	6(11)	151,130	9	151,130	8
2399	Other current liabilities		2,775	-	2,339	-
21XX	Total current liabilities		<u>214,839</u>	<u>13</u>	<u>220,713</u>	<u>12</u>
Non-current liabilities						
2527	Contract liabilities - non-current	6(18)	10,909	1	5,947	-
2580	Lease liabilities - non-current	6(26) and 7	8,117	-	360	-
25XX	Total non-current liabilities		<u>19,026</u>	<u>1</u>	<u>6,307</u>	<u>-</u>
2XXX	Total liabilities		<u>233,865</u>	<u>14</u>	<u>227,020</u>	<u>12</u>
Equity attributable to shareholders of the parent						
Equity						
Share capital						
3110	Common share	6(14)	1,649,738	101	1,630,978	88
Capital surplus						
3200	Capital surplus	6(15)	1,362,550	83	1,268,438	68
Accumulated deficit						
3350	Deficit yet to be compensated	6(16)	(1,494,138)	(91)	(1,256,097)	(67)
Other equity interest						
3400	Other equity interest	6(17)	(117,452)	(7)	(13,530)	(1)
3XXX	Total equity		<u>1,400,698</u>	<u>86</u>	<u>1,629,789</u>	<u>88</u>
	Significant contingent liabilities and unrecognised contract commitments	9				
3X2X	Total liabilities and equity		<u>\$ 1,634,563</u>	<u>100</u>	<u>\$ 1,856,809</u>	<u>100</u>

The accompanying notes are an integral part of these parent company only financial statements.

LUMOSA THERAPEUTICS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT LOSS PER SHARE DATA)

Items	Notes	For the years ended December 31,			
		2023		2022	
		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(18) and 7	\$ 62,371	100	\$ 29,824	100
5000 Operating costs	6(5)(12)(13)(22) (23)	(18,816)	(30)	(13,810)	(47)
5900 Gross profit		<u>43,555</u>	<u>70</u>	<u>16,014</u>	<u>53</u>
Operating expenses	6(7)(8)(9)(12) (13)(22)(23) and 7				
6100 Selling expenses		(21,688)	(35)	(16,475)	(55)
6200 General and administrative expenses		(25,612)	(41)	(23,091)	(78)
6300 Research and development expenses		(340,533)	(546)	(257,478)	(863)
6450 Expected credit of impairment loss	12(2)	(152)	-	(-)	(-)
6000 Total operating expenses		<u>(387,985)</u>	<u>(622)</u>	<u>(297,044)</u>	<u>(996)</u>
6900 Operating loss		<u>(344,430)</u>	<u>(552)</u>	<u>(281,030)</u>	<u>(943)</u>
Non-operating income and expenses					
7100 Interest income	6(3)(19)	9,218	15	5,102	17
7010 Other income	6(20) and 7	10,784	17	2,998	10
7020 Other gains and losses	6(2)(8)(9)(21)	104,536	168	(209,250)	(702)
7050 Finance costs	6(8) and 7	(47)	-	(149)	-
7070 Share of loss subsidiaries, associates and joint ventures accounted for under equity method	6(6)	(17,854)	(29)	(12,296)	(41)
7000 Total non-operating income and expenses		<u>106,637</u>	<u>171</u>	<u>(213,595)</u>	<u>(716)</u>
7900 Loss before income tax		<u>(237,793)</u>	<u>(381)</u>	<u>(494,625)</u>	<u>(1659)</u>
7950 Income tax expense	6(24)	(248)	(1)	(36)	-
8200 Loss for the year		<u>(\$ 238,041)</u>	<u>(382)</u>	<u>(\$ 494,661)</u>	<u>(1659)</u>
Components of other comprehensive (loss) income that will be reclassified to profit or loss					
8361 Financial statements translation differences of foreign operations	6(6)(17)	(\$ 26)	-	(\$ 22)	-
8300 Other comprehensive (loss) income for the year		<u>(\$ 26)</u>	<u>-</u>	<u>(\$ 22)</u>	<u>-</u>
8500 Total comprehensive loss for the year		<u>(\$ 238,067)</u>	<u>(382)</u>	<u>(\$ 494,639)</u>	<u>(1659)</u>
Loss per share (in dollars)	6(25)				
9750 Basic loss per share		(\$ 1.47)		(\$ 3.05)	
9850 Diluted loss per share		(\$ 1.47)		(\$ 3.05)	

The accompanying notes are an integral part of these parent company only financial statements.

LUMOSA THERAPEUTICS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Notes	Share capital			Capital surplus				Other equity interest			Total equity
	Common shares	Share capital awaiting retirement	Share premium	Employee stock options	Employee restricted shares	Others	Deficit yet to be compensated	Financial statements differences of foreign operations	Unearned employee compensation		
<u>For the year ended December 31, 2022</u>											
Balance at January 1, 2022	\$ 1,631,628	(\$ 150)	\$ 1,249,701	\$ 360	\$ 21,148	\$ 164	(\$ 761,436)	\$ 2,948	(\$ 25,776)	\$ 2,118,587	
Loss for the year	-	-	-	-	-	-	(494,661)	-	-	(494,661)	
Other comprehensive income for the year	-	-	-	-	-	-	-	22	-	22	
Total comprehensive loss	-	-	-	-	-	-	(494,661)	22	-	(494,639)	
Employee stock options exercised	650	-	429	(266)	-	-	-	-	-	813	
Compensation costs of employee restricted stock	-	-	-	-	-	-	-	-	5,028	5,028	
Capital reduction through retirement and adjustment due to resignation of employee restricted shares forfeited	(1,300)	150	-	-	(3,098)	-	-	-	4,248	-	
Balance at December 31, 2022	\$ 1,630,978	\$ -	\$ 1,250,130	\$ 94	\$ 18,050	\$ 164	(\$ 1,256,097)	\$ 2,970	(\$ 16,500)	\$ 1,629,789	
<u>For the year ended December 31, 2023</u>											
Balance at January 1, 2023	\$ 1,630,978	\$ -	\$ 1,250,130	\$ 94	\$ 18,050	\$ 164	(\$ 1,256,097)	\$ 2,970	(\$ 16,500)	\$ 1,629,789	
Loss for the year	-	-	-	-	-	-	(238,041)	-	-	(238,041)	
Other comprehensive loss for the year	-	-	-	-	-	-	-	(26)	-	(26)	
Total comprehensive loss	-	-	-	-	-	-	(238,041)	(26)	-	(238,067)	
Issuance of employee restricted stocks	18,900	-	-	-	94,954	-	-	-	(113,854)	-	
Employee stock options exercised	230	-	151	(94)	-	-	-	-	-	287	
Compensation costs of employee restricted stock	-	-	-	-	-	-	-	-	8,591	8,591	
Capital reduction through retirement and adjustment due to resignation of employee restricted shares forfeited	(370)	-	-	-	(997)	-	-	-	1,367	-	
Changes in other additional paid-in capital	-	-	-	-	-	98	-	-	-	98	
Balance at December 31, 2023	\$ 1,649,738	\$ -	\$ 1,250,281	\$ -	\$ 112,007	\$ 262	(\$ 1,494,138)	\$ 2,944	(\$ 120,396)	\$ 1,400,698	

The accompanying notes are an integral part of these parent company only financial statements.

LUMOSA THERAPEUTICS CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	For the years ended December 31,	
		2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Loss before income tax for the year		(\$ 237,793)	(\$ 494,625)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(7)(8)(22)	5,275	5,523
Amortisation	6(9)(22)	16,560	16,642
Expected credit impairment loss		152	-
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	6(2)(21)	(119,077)	217,396
Share of loss of subsidiaries, associates and joint ventures accounted for under the equity method	6(6)	17,854	12,296
Interest income	6(19)	(9,218)	(5,102)
Dividend income		(8,000)	-
Interest expense	6(8)	47	149
Compensation costs of employee restricted stock	6(13)(23)	8,591	5,028
Unrealised foreign exchange loss		-	13
Gains on lease modifications	6(8)(21)	-	(48)
Impairment loss	6(9)(21)	10,372	-
Changes in assets and liabilities relating to operating activities			
Changes in assets relating to operating activities			
Accounts receivable		1,843	(4,306)
Inventory		4,769	(26,296)
Other receivables		3,960	(10,146)
Prepayments		(2,919)	(311)
Other current assets		(20)	126
Changes in liabilities relating to operating activities			
Contract liabilities - current		(3,846)	7,656
Contract liabilities - non-current		4,962	5,947
Accounts payable		501	(13,508)
Other payables		(3,128)	3,207
Other current liabilities		436	406
Cash outflow generated from operations		(308,679)	(279,953)
Interest received		9,090	4,532
Interest paid		(47)	(149)
Income tax (paid) received		(537)	619
Net cash flows used in operating activities		(300,173)	(274,951)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortised cost - current		(920,000)	(1,080,400)
Proceeds from disposal of financial assets at amortised cost - current		1,168,600	1,005,031
Acquisition of financial assets at fair value through profit or loss	6(2)	-	(14,944)
Proceeds from disposal of financial assets at fair value through profit or loss		-	26,044
Acquisition of investments accounted for under equity method	6(6)	-	(75,000)
Acquisition of property, plant and equipment	6(7)	(172)	(2,285)
Acquisition of intangible assets		8,000	-
Net cash flows provided by (used in) investing activities		256,428	(141,554)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Changes in other additional paid-in capital	6(14)	98	-
Employee stock options exercised		287	813
Payments of lease liabilities	6(8)(26)	(4,330)	(4,647)
Net cash used in financing activities		(3,945)	(3,834)
Decrease in cash		(47,690)	(420,339)
Cash at beginning of year		417,211	837,550
Cash at end of year		\$ 369,521	\$ 417,211

The accompanying notes are an integral part of these parent company only financial statements.

6. 2023 Deficit Compensation Statement

Lumosa Therapeutics Co., Ltd.

2023 Deficit Compensation Statement

Items	Total(Unit: NTDS\$)
Deficit yet to be compensated of prior years	(1,256,097,333)
(+): 2023 net loss	(238,040,400)
Deficit yet to be compensated at the end of 2023.	(1,494,137,733)

7. Comparison Table for the Articles of Incorporation

After the Revision	Before the Revision	After the Revision
<p><u>Article 4-1</u> 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 deemed effective after being resolved in the meeting of Board of Directors and being recorded in the Meeting Minutes.</p>	<p><u>Article 25</u> 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 deemed effective after being resolved in the meeting of Board of Directors and being recorded in the Meeting Minutes.</p>	<p>The original Article 25 is adjusted to Article 4-1.</p>
<p>Article 6-1 The targets of the Company’s share buyback and transfer, as well as the targets eligible for employee stock options, restricted stock awards granted to employees, and the reservation of new shares from cash capital increase for employee subscription, may include employees of the Company’s controlled or subsidiary companies who meet certain conditions according to the Company Act. The Board of Directors is authorized to determine the specific conditions and methods for such transfer, grants, and subscriptions.</p>	<p>(New addition)</p>	<p>Revised in accordance with actual business needs.</p>
<p>Article 14 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</p>	<p>Article 14 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</p>	<p>Revised in accordance with legal amendments.</p>

After the Revision	Before the Revision	After the Revision
<p>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.</p> <p>At least three 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-<u>third</u> 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>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.</p> <p>At least three 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-<u>fifth</u> 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 25</p> <p>The organization charter of the Company and its detail procedures shall be determined by the Board of Directors.</p>	<p>Article 26</p> <p>The organization charter of the Company and its detail procedures shall be determined by the Board of Directors.</p>	<p>Adjusted in accordance with the adjustment of the original Article 25. The content has not changed.</p>
<p>Article 26</p> <p>Regarding any matters not provided for in these Articles, the Company Act and other relevant laws and regulations shall govern.</p>	<p>Article 27</p> <p>Regarding any matters not provided for in these Articles, the Company Act and other relevant laws and regulations shall govern.</p>	<p>Adjusted in accordance with the order of the articles. The content has not changed.</p>
<p>Article 27</p> <p>This Article of Incorporation was established on November 16, 2000. The first amendment took effect on April 22, 2002. The second amendment took effect on May 10, 2002. The third amendment took effect on</p>	<p>Article 28</p> <p>This Article of Incorporation was established on November 16, 2000. The first amendment took effect on April 22, 2002. The second amendment took effect on May 10, 2002. The third amendment took effect on</p>	<p>Adjusted in accordance with the order of the articles and the revision date has been added.</p>

After the Revision	Before the Revision	After the Revision
<p>March 6, 2003. The fourth amendment took effect on April 14, 2003. The fifth amendment entered into force as of April 24, 2003. The sixth amendment took effect on July 3, 2003. The seventh amendment took effect on December 1, 2003. The eighth amendment took effect on December 6, 2004. The ninth amendment took effect on May 15, 2006. The tenth amendment took effect on September 16, 2011. The eleventh amendment took effect on September 25, 2012. The twelfth amendment took effect on 21, 2013. The thirteenth amendment took effect on June 9, 2014. The fourteenth amendment took effect on July 25, 2014. The fifteenth amendment took effect on February 5, 2015. The sixteenth amendment took effect on June 1, 2015. The seventeenth amendment took effect on June 17, 2016. The eighteenth amendment took effect on July 27, 2018. The nineteenth amendment took effect on July 7, 2021. The twentieth amendment took effect on May 24, 2022. The twenty-first amendment took effect on May 2, 2024. This Article of Incorporation shall take effect after the resolution of the meeting of the shareholders.</p>	<p>March 6, 2003. The fourth amendment took effect on April 14, 2003. The fifth amendment took effect on April 24, 2003. The sixth amendment took effect on July 3, 2003. The seventh amendment took effect on December 1, 2003. The eighth amendment took effect on December 6, 2004. The ninth amendment took effect on May 15, 2006. The tenth amendment took effect on September 16, 2011. The eleventh amendment took effect on September 25, 2012. The twelfth amendment took effect on 21, 2013. The thirteenth amendment took effect on June 9, 2014. The fourteenth amendment took effect on July 25, 2014. The fifteenth amendment took effect on February 5, 2015. The sixteenth amendment took effect on June 1, 2015. The seventeenth amendment took effect on June 17, 2016. The eighteenth amendment took effect on July 27, 2018. The eighteenth amendment took effect on July 7, 2021. The eighteenth amendment took effect on May 24, 2022. This Article of Incorporation shall take effect after the resolution of the meeting of the shareholders.</p>	

8. Comparison Table for the Rules and Procedures of Shareholder’s Meeting

After the Revision	Before the Revision	After the Revision
<p><u>Article 3</u> <u>A company may hold a shareholders' meeting by video conference. In addition to the provisions of the Regulations Governing the Administration of Shareholder Services of Public Companies, the company's articles of incorporation shall so stipulate, and the Board of Directors shall pass a resolution to this effect. The video shareholders' meeting shall be held with the attendance of more than two-thirds of the directors and the consent of more than half of the directors present.</u></p> <p>Identical text omitted below</p>	<p><u>Article 3</u> <u>(Convening shareholders meetings and shareholders meeting notices)</u> <u>Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors. Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.</u></p> <p><u>New addition</u></p> <p>Identical text omitted below</p>	<p>Revised in accordance with amendments of the Corporate Law.</p>
<p><u>Article 6-1</u></p> <p><u>Except for the circumstances provided for in Article 44-9(6) of the Regulations Governing the Administration of Shareholder Services of Public Companies, the company shall at least provide shareholders with access to online connection equipment and necessary assistance, and specify the period during which shareholders may apply to the company and other relevant.</u></p>	<p><u>Article 6-1</u> <u>(Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice)</u></p> <p>To convene a virtual shareholders meeting, this Corporation shall include the follow particulars in the shareholders meeting notice:</p> <p>1-2 Are identical and omitted.</p>	<p>Cooperate with the amendment of the company law</p>
<p><u>Article 22</u></p>	<p><u>Article 22</u> <u>(Handling of digital divide)</u></p>	<p>Cooperate with the amendment of the company law</p>

After the Revision	Before the Revision	After the Revision
<p><u>Except for the circumstances provided for in Article 44-9(6) of the Regulations Governing the Administration of Shareholder Services of Public Companies, the company shall at least provide shareholders with access to online connection equipment and necessary assistance, and specify the period during which shareholders may apply to the company and other relevant.</u></p>	<p>When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</p>	
<p><u>Article 23</u></p> <p>These Rules and Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.</p> <p>These Rules and Procedures was established on February 5, 2015.</p> <p>The first Amendment took effect on May 31, 2023.</p> <p><u>The second Amendment took effect on May 2, 2024.</u></p>	<p><u>Article 23</u></p> <p>These Rules and Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.</p> <p>These Rules and Procedures was established on February 5, 2015.</p> <p>The first Amendment took effect on May 31, 2023.</p> <p>(new add)</p>	<p>Update the revision date.</p>

9. Securities Underwriters Evaluation Opinion

Lumosa Therapeutics Co., Ltd.

Opinion on the necessity and rationality of private placement

Opinion appointor: Lumosa Therapeutics Co., Ltd.

Submission recipient: Lumosa Therapeutics Co., Ltd.

Designated use of submissions:

For private placement of common stocks of Lumosa Therapeutics Co., Ltd. in 2024 only

Report type: Opinion letter on the necessity and rationality of private placement

Assessor: MasterLink Securities Corporation

Representative: Ching-Fa Chang

February 26, 2024

Lumosa Therapeutics Co., Ltd.

2024 Securities Underwriter Evaluation Opinions on the Necessity and Rationality of Private Placement of Common Stocks

To bolster operating capital and improve financial standing and considering the time-sensitivity and efficiency of fundraising, Lumosa Therapeutics Co., Ltd. (hereinafter referred to as Lumosa or the Company) will undertake the private placement of securities pursuant to Article 43-6 of the Securities and Exchange Act and “Directions for Public Companies Conducting Private Placements of Securities.” Lumosa plans to review the proposed private placement of common stock in a Board Meeting on February 26, 2024. Subsequently, at the shareholders’ meeting scheduled for May 2, 2024, the Board will request shareholder approval and authorization for one or two tranches of a private placement within one year from the date of the resolution. The aggregate number of shares to be issued shall not exceed 20,000,000 shares across the authorized tranches.

Pursuant to the provisions of Article 4, Section 3 of the “Directors for Public Companies Conducting Private Placement of Securities,” in the event of significant changes in managerial control occurring from one year prior to the Board resolution approving the private placement up to one year after the share delivery date, the Company shall obtain from the securities underwriter an assessment opinion on the necessity and reasonableness of such private placement. This assessment shall be included in the notice of the shareholders’ meeting, to serve as a reference for shareholders’ approval. The securities underwriter’s explanatory assessment is as follows:

I. Company Introduction

Lumosa, the innovative drug development arm of the Center Laboratories Group that is commercially driven. Lumosa’s business model revolves around the early identification of scientifically validated and promising drug candidates, followed by strategic development efforts that encompasses human proof-of-concept trials. Subsequently, Lumosa pursues strategic alliances and licensing opportunities, minimizing the time and resource commitments associated with new drug development while reducing development risks and expediting market entry.

With a dedicated focus on neuroscience, the Company is committed to delivering groundbreaking solutions. Lumosa’s pipeline comprises of: (1) LT1001, an extended-release analgesic injection; (2) LT3001, a novel chemical entity for the treating acute ischemic stroke; (3) LT5001, a therapy for uremic pruritus; and (4) the innovative inducible exosome LT6001.

LT1001 (marketed as Naldebain ®) offers long-lasting pain relief that is tailored for patients suffering from moderate to severe pain but without the adverse effects commonly associated with traditional opioid medications. Following regulatory approval from the TFDA in 2017, LT1001 was successfully licensed to AMed Group, gaining a strategic foothold in the self-paid postoperative pain relief market. Subsequent expansion into medical centers, clinics, and broader therapeutic areas has contributed to consistent revenue growth within the Taiwanese market.

In addition, LT1001 has achieved regulatory approvals and market access in Singapore (2020), Thailand (2021), Malaysia (2022), and Brunei (2023), generating into a stable cash flow stream. Currently, the Company has secured distribution partnerships in South Korea, Ukraine, Jordan, and India - with Ukraine's approval obtained in 2023 and the remaining regions progressing through rigorous inspection and registration processes, poised to contribute additional growth momentum.

To further maximize product value, Lumosa has granted Jiangxi Jemincare Group exclusive development and commercialization rights for the Chinese mainland market. Collaborative efforts are underway to strategically plan clinical trials that could potentially expand the therapeutic indications. Additionally, an agreement with the US-based animal pharmaceutical company, Skyline Vet Pharma (SVP) has unlocked opportunities in the veterinary medicine market. As LT1001 progressively gains traction across global human and animal health markets, its true value and return potential will be fully realized.

LT3001 is a novel therapeutic agent for acute ischemic stroke, addressing the inherent bleeding risks associated with current standard-of-care treatment, rt-PA. Targeting the significant unmet medical need in the acute stroke arena, LT3001 harbors the potential to become a transformative pharmaceutical asset. The Company's Phase IIa clinical trial results, announced in August 2021, successfully validated LT3001's crucial safety profile as a thrombolytic agent and its potential to improve post-stroke functional recovery in ischemic stroke patients. Consequently, in January 2022, the US FDA granted LT3001 Fast Track Destination, accelerating the future regulatory approval timeline. Currently, Lumosa is initiating three pivotal global Phase IIb proof-of-concept clinical trials, with anticipated completion of enrollment by the end of 2024.

While the regional rights for the Chinese mainland market have been licensed to Shanghai Pharmaceutical Holdings, Lumosa retains the rights for the European and the US markets. Positive Phase IIb results, further substantiating LT3001's efficacy and capacity to improve functional independence in stroke patients, could significantly expand the drug's overall value proposition.

Furthermore, Lumosa's portfolio includes LT6001, an innovative inducible exosome derived from mesenchymal stem cells, combining the therapeutic potential of MSCs with enhanced safety and targeted delivery profiles. Current endeavors are focused on broadening the depth and scope of neurological applications, showcasing the Company's robust and progressive product line. This strategic approach ensures a balanced operational risk profile across short, medium, and long-term horizons, reinforcing Lumosa's sustainable business model.

II. Details of This Private Placement Plan

According to the draft agenda for the Board meeting scheduled by the Company on February 26, 2024, in consideration of replenishing the Company's working capital and improving its financial structure, the Company intends to conduct a private placement of ordinary shares through cash capital increase within the limit of 20,000,000 shares. This will be performed in one or two tranches within one year from the date of the shareholder's meeting resolution. The pricing basis for this private placement is determined by taking either the higher of the following two benchmarks as the reference price: 1) the simple arithmetic average of the closing prices of the ordinary shares for 1, 3, or 5 business days prior to the pricing date, after adjusting for the effects of ex-rights and ex-dividends from share issuances without consideration and capital reductions; or 2) the simple arithmetic average of the closing prices of the ordinary shares for the 30 business days prior to the pricing date, after adjusting for the effects of ex-rights and ex-dividends from share issuances without consideration and capital reductions. The actual issue price shall not be lower than 80% of the reference price.

III. Assessment of Significant Changes in Subscribers and Operational Control

- a. Review of any significant changes in operational control within one year prior to the Board's resolution to conduct the private placement, up until one year after the delivery date of the privately placed securities

Lumosa plans to discuss a private placement of ordinary shares through a cash capital increase at its board meeting on February 26, 2024. It is noted that on May 31, 2023, the Company elected one additional independent director seat to comply with Article 4 of the Taipei Exchange Directions for Compliance Requirements for the Appointment and Exercise of Powers of the Boards of Directors of TPEx Listed Companies. Furthermore, as the term of the 9th Board of Directors is set to expire, the Company intends to re-elect all directors at the annual shareholders' meeting on May 2, 2024. However, as of February 26, 2024, the list of director candidates remains unconfirmed. Consequently, it is uncertain whether a change of one-third or more in the composition of the Board of

Directors will occur after the re-election at this shareholders' meeting, potentially constituting a significant change in operational control. In accordance with the Directions for Public Companies Conducting Private Placements of Securities, the Company has commissioned this securities underwriter to provide an assessment opinion on the necessity and reasonableness of conducting this private placement.

- b. Whether the introduction of strategic investors through the private placement will cause a significant change in operational control

The Company's current outstanding shares total 164,973,825. With the addition of the 20,000,000 shares to be privately placed in this offering, assuming full subscription, the paid-in capital will increase to 184,973,825 shares. The shares to be privately placed account for 10.81% of the total shares outstanding after the private placement. This private placement of ordinary shares by the Company will take place after the May 2, 2024 shareholders' meeting, and the subscribers have not been determined. Therefore, it remains uncertain whether the strategic investors to be introduced through the private placement of ordinary shares will acquire a certain number of board seats to participate in the Company's operations, potentially resulting in a significant change in operational control. In accordance with the Directions for Public Companies Conducting Private Placements of Securities, the Company has commissioned this securities underwriter to provide an assessment opinion on the necessity and reasonableness of conducting this private placement.

- c. Assessment of the feasibility and necessity for the selection of subscribers

i. Selection of subscribers

According to the draft agenda for the board meeting to be convened by the Company on February 26, 2024, the selection of subscribers for this private placement will be limited to specific parties in accordance with Article 43-6 of the Securities and Exchange Act, the order No. 0910003455 issued by the former Securities and Futures Management Committee of the Ministry of Finance on June 13, 2002, and other relevant regulations stipulated in the Directions for Public Companies Conducting Private Placements of Securities. The Company has not yet identified specific subscribers, who may be insiders or strategic investors. If strategic investors are considered, the primary criterion for selecting subscribers will be their ability to directly or indirectly benefit the Company. The introduction of private placement funds aims to leverage the strengths of the subscribers to assist the Company's operational expansion and improve its performance, ultimately achieving sustainable operations.

ii. Feasibility and necessity of subscribers

The Company is currently focused on the development of LT3001, a novel therapy with significant potential, and actively introducing an innovative technology platform of mesenchymal stem cell-derived extracellular vesicles. To support its operational needs in various management and financial aspects, as well as to provide operational management expertise, strengthen financial cost management, assist in research and development project development, in/out licensing activities, and other matters that may bring benefits to the Company's future operational development, Lumosa expects to introduce strategic investors through private placement in addition to insiders who already have a certain level of understanding of the Company's operations. The Company aims to leverage the funds, technologies, and knowledge resources of the subscribers to accelerate the progress of product research and development, as well as international licensing negotiations. Therefore, this private placement is expected to strengthen the company's operational structure and enhance overall shareholder equity. Consequently, the selection of subscribers for this private placement is considered feasible and necessary.

IV. Assessment of the Necessity and Rationality of This Private Placement Plan

a. Necessity of conducting this private placement plan

The Company takes into consideration the long business cycle and high risks associated with new drug development, which requires substantial capital investment to complete. By introducing strategic investors capable of providing various resources needed to support the Company's operations, Lumosa hopes to leverage the subscribers' resources to introduce new research and development projects and diversify risks. Therefore, this private placement of ordinary shares aims to replenish working capital, effectively enhancing overall shareholder equity and further improving the Company's financial structure, which is beneficial for the Company's long-term operational development and thus necessary. Additionally, considering the difficulty in accurately gauging the actual fundraising market conditions, as well as the timeliness, convenience, and issuance costs involved, private placements offer agility, flexibility, and the ability to align with the capital utilization plan in a timely manner. Therefore, conducting a cash capital increase through the issuance of new shares via private placement is deemed necessary.

b. Rationality of conducting this private placement plan

Lumosa plans to obtain approval for the private placement at the annual

shareholders' meeting on May 2, 2024, and will also list and explain the relevant matters concerning the private placement of securities in the meeting agenda, in accordance with Article 43-6, Paragraph 6 of the Securities and Exchange Act. Upon evaluation, the procedures for conducting the private placement are deemed legal and compliant. Currently, the Company possesses a robust product pipeline. To continuously expand product value and achieve operational breakthroughs, the introduction of funds through the private placement to replenish working capital will help strengthen the Company's competitiveness, enhance revenue, and generate profits, thereby directly benefiting shareholder equity. The anticipated benefits are considered reasonable.

As a new drug development company that has yet to achieve profitability, conducting a public offering or obtaining loans from financial institutions for fundraising would be time-consuming and uncertain. Considering the expeditious and straightforward nature of private placements, coupled with the regulation that privately placed securities cannot be freely transferred within three years, the Company can secure long-term stable funding and ensure a long-term cooperative relationship with the investors introduced through this private placement. This approach will also contribute to the Company's overall operational development in the future and provide benefits to shareholders' equity. Therefore, it is reasonable for the Company to proceed with this private placement.

V. Impact on the Company's Operations, Finances, and Shareholders' Rights following the Transfer of Operational Control

The Company's current outstanding shares total 164,973,825. With the addition of the 20,000,000 shares to be privately placed in this offering, assuming full subscription, the paid-in capital will increase to 184,973,825 shares. The shares to be privately placed account for 10.81% of the total shares outstanding after the private placement. Therefore, it remains unclear whether the specific investors introduced through the private placement of ordinary shares will acquire a certain number of board seats to participate in the Company's operations. Thus, it is uncertain whether the private placement of specific investors will result in a significant change in operational control. However, should there be any changes to the Board composition or operational control in the future, the Company will disclose such information in accordance with relevant regulations to ensure the protection of shareholders' rights and interests.

Additionally, assuming this private placement leads to a significant change in operational control, the impact on the Company's business operations, financial position, and shareholders' rights and interests is explained as follows:

a. Impact to the Company's operations

Lumosa is the new drug development arm of the Center Laboratories Group. The core products that is at the advanced stages include LT1001 (trade name: Naldebain®), an extended-release analgesic injection, and LT3001, a novel chemical entity for the treatment of acute ischemic stroke. Although the Company has made continuous progress in research and development as well as licensing, it remains dedicated to expanding product value and advancing the product pipeline, necessitating substantial investments in R&D expenses. As a result, the Company continues to operate at a loss. Considering the current operational status and industry prospects, to ensure sustainable operations, the Company intends to introduce subscribers through this private placement who can directly or indirectly benefit the Company's future operations. This will help secure a long-term collaborative relationship, thereby generating positive impacts on the business.

b. Impact to the Company's finances

The Company intends to conduct a private placement of ordinary shares within the limit of 20,000,000 shares. The proceeds will be utilized to replenish working capital and improve its financial structure. The Company's promising LT3001, a novel chemical entity for the treatment of acute ischemic stroke, is currently undergoing three pivotal global Phase IIb proof-of-concept clinical trials, with full enrollment expected to be completed by the end of 2024. If the therapeutic efficacy is validated through these clinical trials, the drug's value could increase substantially. However, given the lengthy development cycle and high risks associated with new drug development, which require significant capital and resource investments, this private placement of ordinary shares to raise operational funds will effectively reduce the Company's debt ratio and improve its financial structure. The timely injection of funds from the private placement should positively impact the Company's financial position.

c. Impact to Shareholder's rights

The Company intends to conduct a private placement of ordinary shares within the limit of 20,000,000 shares, with the pricing basis set at no less than 80% of the reference price. Assuming full subscription, the proceeds from this private placement will be utilized to replenish working capital. It is expected to strengthen the Company's financial structure, reduce financing costs, and enable the expansion of future operational scale, thereby enhancing the Company's long-term competitiveness. Furthermore, the restriction on freely transferring privately placed securities within three years ensures a long-term cooperative relationship between the Company and the subscribers. Consequently, this private placement should generate positive benefits for the shareholders' equity.

VI. Conclusion

This private placement of ordinary shares by Lumosa aims to replenish working capital and consequently improve the financial structure. This should assist the Company in achieving its goals of sound operational development while simultaneously safeguarding shareholders' interests. Considering the Company's current operational status, time efficiency of fundraising, and feasibility of procuring funds, the decision to conduct this cash capital increase through a private placement of new shares is deemed necessary and reasonable. Furthermore, after reviewing the relevant materials for the private placement on the agenda of the board meeting scheduled for February 26, 2024, this securities underwriter finds no significant violations or unreasonable aspects in the issuance plan and procedures. Upon comprehensive evaluation of factors such as the anticipated benefits of the private placement, the selection of subscribers, and the impact on the Company's business, financial position, and shareholders' equity, the private placement of ordinary shares through cash capital increase by the Company is considered necessary and reasonable.

VII. Statements of Declaration

The contents of this opinion are solely intended to serve as a reference for the Company's Board of Directors on February 26, 2024, and the annual shareholders' meeting on May 2, 2024, regarding the resolution for this private placement plan. It should not be used for any other purposes. Furthermore, this opinion is based on the financial information provided by Lumosa Therapeutics Co., Ltd. and the information disclosed on the Market Observation Post System. It hereby stated that this underwriter shall not bear any legal liability for any changes to the content of this opinion that may arise from modifications to the Company's private placement plan or other circumstances in the future.

Declaration of Independence

- I. MasterLink Securities Corporation (hereinafter referred to as MasterLink) has been commissioned to provide an opinion on the necessity and reasonableness of Lumosa Therapeutics Co., Ltd. (hereinafter referred to as Lumosa) conducting a private placement of ordinary shares in 2023.
- II. For the execution of the aforementioned business, MasterLink hereby declares the following:
- (1) MasterLink is not an investee of Lumosa accounted for under the equity method.
 - (2) MasterLink is not an investor in Lumosa accounted for under the equity method.
 - (3) The chairperson or president of MasterLink is not the same person as, nor related by marriage or within the second degree of kinship to, the chairperson or president of Lumosa.
 - (4) MasterLink is not a director or supervisor of Lumosa.
 - (5) Lumosa is not a director or supervisor of MasterLink.
 - (6) Apart from the abovementioned matters, MasterLink does not have any locked-in relationship with Lumosa as defined in Article 18 of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
- III. In providing the assessment opinion on the necessity and reasonableness of Lumosa conducting a private placement of ordinary shares in 2023, MasterLink has maintained an impartial and independent spirit.

Assessor: MasterLink Securities Corporation

Representative: Ching-Fa Chang

February 26, 2024

10. List of Director and Independent Director Candidates

sort	Name	Education	Experience	Present Job	Number of shares held
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	Director, BioGend Therapeutics Co., Ltd. Director, Medeon Biodesign, Inc. (as corporate representative) Director, Adimmune Corp. (as corporate representative) Director, BioEngine Technology Development Inc. (as corporate representative) Director, KriSan Biotech Co., Ltd. (as corporate representative) Director, Cytoengine Co., Ltd. (as corporate representative) Director, Bioflag Int'l Corp (Cayman) (as corporate representative) Chairperson, Royal Foods Co., Ltd. (as corporate representative) Chairperson, GLAC Biotech Co., Ltd. (as corporate representative) Chairperson, Ausnutria Dairy (Taiwan) Nutrition & Health Sciences Corp. (as corporate representative) Director, Youluck Int'l Inc. (as corporate representative) Director, A2+ Biotech Consulting Co. Director, Beijing Shundu Pharmaceutical Research Institute Co., Ltd. Director, Shanghai Bao Pharma Co., Ltd. Director, Scindy Pharmaceutical (Suzhou) Co., Ltd. Director, Scindy Pharmaceutical (Suzhou)	54, 068, 631

sort	Name	Education	Experience	Present Job	Number of shares held
Director	Wann Lai Cheng Representative of Center Laboratories, Inc.	Fu Jen Catholic University Bachelor of Business Administration	Taiwan Calsonic Co., Ltd Chairman	Co., Ltd. Chairperson, Browave Corporation Director, Glac Biotech Co., Ltd. (as corporate representative) Chairperson, Lumosa Therapeutics Co., Ltd. (Cayman) Chairperson, Shanghai Lumosa Therapeutics Co., Ltd.	54, 068, 631
Director	BioEngine Technology Development Inc.	NA	-	-	1,170,169
Director	Shun Cheng Pharmaceutical Co	NA	-	-	1,000
Director	Hsueh Ling Wang	National Chengchi University Master of Accounting Tamkang University Bachelor of Accounting	Director, National Taxation Bureau, Taipei City, Ministry of Finance Assistant Manager, Manager, Deputy General Manager, General Manager, Sun Ten Pharmaceutical Co., Ltd. Supervisor, Guyuanling Biotechnology Co., Ltd	Vice Chairperson, Sun Ten Pharmaceutical Co., Ltd. (as corporate representative) Director, Sun Ten Natureutica Co., Ltd. (as corporate representative) Chairperson, Ho Li Ltd. Chairperson, Sunbeaus Co., Ltd. (as corporate representative) Director, Sun Ten Int'l Investment Co. Ltd. Director, Herbiotek Co., Ltd. (as corporate representative)	465,478

sort	Name	Education	Experience	Present Job	Number of shares held
Independent director	Chih Hsiung Wu	Dokkyo Medical University Doctor of First Department of Surgery Taipei Medical University Bachelor of Medicine	CEO, Hsing Tian Kong Foundation Medical Mission - En Chu Kong Hospital Superintendent, En Chu Kong Hospital Superintendent, Taipei Medical University Hospital Superintendent, Shuanghe Hospital, Ministry of Health and Welfare Chairperson, Taiwan Surgical Association	Director, Medeon Biodesign Inc. (as corporate representative) Chairperson, V-CHECK, Inc. Superintendent-level Attending Physician, En Chu Kong Hospital Chair Professor, Taipei Medical University	-
Independent director	Hai I Ma	Lehigh University (USA) Doctor of Chemistry	Co-founder/ General Manager, Chairman, and COO, ScinoPharm Taiwan, Ltd. Founder, Biotech Industrial Academy President, Shen Nong Int'l Co. Vice President, Syntex (USA) Director of Fab, Director of Man-made Fiber Quality Control,	Director, Formosa Pharmaceuticals, Inc. Independent director, Steminent Biotherapeutics Inc. Director, Senhwa Biosciences, Inc. Director, Handa Pharmaceuticals, Inc. Venture Partner, Vivo Capital LLC. Director, Obigen Pharma, Inc. (as corporate representative) Advisor, National Health Research Institute, Taiwan Executive Director and Chairperson of the Industry Committee of Taiwan Bio Industry Organization	-

sort	Name	Education	Experience	Present Job	Number of shares held
Independent director	Chih Yung Chin	Case Western Reserve University Master of Accountancy Tamkang University Bachelor of International Trade	Manager of Analytical Chemistry, Monsanto (USA) Independent Director, Crown Bioscience, Inc. Director, Twi Pharmaceuticals Director, Reber Genetics Co., Ltd. Pan Asia International & Co., CPAs Senior Manager	Director, Leading Change International CPA Firm Independent Director, Space Shuttle Hi-Tech Co., Ltd. Independent Director, Patec Precision Industry Co., Ltd. Member, Accounting Research and Valuation Committee of the National Federation of CPA Associations of ROC Member, Taxation Committee, Taipei CPA Association	-
Independent director	Hsin-Jung Lin,	PhD in Neurosurgery and Physiology, State University of New York at Stony Brook Master of Science in Hospital	Chairperson, Taiwan Neurosurgical Society Chairperson, International College of Surgeons-Taiwan Section	Superintendent, Hualien Tzu Chi Hospital, Buddhist Tzu Chi Medical Foundation R&D Chief, Bioinnovation Center, Buddhist Tzu Chi Medical Foundation Professor of Neurosurgery, School of Medicine, Tzu Chi University Advisory Committee, Taiwan Neurosurgical Society	-

sort	Name	Education	Experience	Present Job	Number of shares held
		Administration, Tulane University Bachelor of Medicine, National Defense Medical College		Honorary Chairperson, International College of Surgeons- Taiwan Section Charter Fellow, National Academy of Inventors, USA (NAI) AAAS Fellow, American Association for the Advancement of Science Fellow, American Institute for Medical and Biological Engineering (AIMBE) (USA)	

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.. The English 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 3,000,000,000 New Taiwan Dollars, divided into 300,000,000 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 director representing 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 9-1

The company's shareholders' meeting may be held by video conference or other methods announced by the central competent authority. The requirements, operating procedures, and other matters to be complied with for the adoption of virtual-only shareholders meetings shall be governed by the regulations of the competent authority if otherwise stipulated.

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

Article 14

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 three 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 14-1

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 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.

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.

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 a special meeting of shareholders within sixty 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.

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. When the independent directors are 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.

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 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 with respect to

liabilities resulting from exercising their duties during their terms of office.

A company shall report the insured amount, coverage, premium rate, and other important contents of the directors liability insurance it has obtained or renewed for directors, at the most recent board meeting.

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.

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.

Section V Managerial Officer

Article 22

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 23

The Company shall close accounts at the end of the year. At the close of each fiscal year by the company, the Board of Directors shall prepare the following statements and records which submit to the shareholders meeting for recognition:

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

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, 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.

Article 24-1

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 25

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 26

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

Article 27

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

Article 28

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

The first amendment took effect on April 22, 2002.

The second amendment took effect on May 10, 2002.

The third amendment took effect on March 6, 2003.

The fourth amendment took effect on April 14, 2003.

The fifth amendment took effect on April 24, 2003.

The sixth amendment took effect on July 3, 2003.
The seventh amendment took effect on December 1, 2003.
The eighth amendment took effect on December 6, 2004.
The ninth amendment took effect on May 15, 2006.
The tenth amendment took effect on September 16, 2011.
The eleventh amendment took effect on September 25, 2012.
The twelfth amendment took effect on June 21, 2013.
The thirteenth amendment took effect on June 9, 2014.
The fourteenth amendment took effect on July 25, 2014.
The fifteenth amendment took effect on February 5, 2015.
The sixteenth amendment took effect on June 1, 2015.
The seventeenth amendment took effect on June 17, 2016.
The eighteenth amendment took effect on July 27, 2018.
The nineteenth amendment took effect on July 7, 2021.
The twentieth amendment took effect on May 24, 2022.

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

To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2

The rules of procedures for this Corporation's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3

(Convening shareholders meetings and shareholders meeting notices)

Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the Board of Directors. Changes to how this Corporation convenes its shareholders meeting shall be resolved by the Board of Directors, and shall be made no later than mailing of the shareholders meeting notice.

This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. If, however, this

Corporation has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby.

This Corporation shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:

1. For physical shareholders meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the

shareholders meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to this Corporation a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the

shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4

For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

If, after a proxy form is delivered to this Corporation, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to this Corporation two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5

(Principles determining the time and place of a shareholders meeting)

The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders meeting.

Article 6

(Preparation of documents such as the attendance book)

This Corporation shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with this Corporation two days

before the meeting date.

In the event of a virtual shareholders meeting, this Corporation shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 6-1

(Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice)

To convene a virtual shareholders meeting, this Corporation shall include the follow particulars in the shareholders meeting notice:

- 1.How shareholders attend the virtual meeting and exercise their rights.
- 2.Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
 - A.To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
 - B.Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
 - C.In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
 - D.Actions to be taken if the outcome of all proposals have been

announced and extraordinary motion has not been carried out.

3.To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.

Article 7

(The chair and non-voting participants of a shareholders meeting)

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair. It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8

(Documentation of a shareholders meeting by audio or video)

This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders meeting is held online, this Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by this Corporation during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders meeting, this Corporation is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 9

Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 6.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10

(Discussion of proposals)

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be

changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned 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.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 11

(Shareholder speech)

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5

minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

Article 12

(Calculation of voting shares and recusal system)

Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the

interests of this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a

declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.

Vote counting for shareholders meeting proposals or elections shall be

conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

When this Corporation convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When this Corporation convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article 14

(Election of directors)

The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the

numbers of votes with which they were elected, and the names of directors not elected and number of votes they received.

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.

Article 15

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of this Corporation.

Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than

compliance with the requirements in the preceding paragraph, this Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online

Article 16

(Public disclosure)

On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During this Corporation's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17

(Maintaining order at the meeting place)

Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18

(Recess and resumption of a shareholders meeting)

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 19

(Disclosure of information at virtual meetings)

In the event of a virtual shareholders meeting, this Corporation shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the

chair has announced the meeting adjourned.

Article 20

(Location of the chair and secretary of virtual-only shareholders meeting)

When this Corporation convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article 21

(Handling of disconnection)

In the event of a virtual shareholders meeting, this Corporation may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.

In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights

exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors.

When this Corporation convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

When postponing or resuming a meeting according to the second paragraph, this Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance

at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporation shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.

Article 22

(Handling of digital divide)

When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.

Article 23

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.

The first Amendment took effect on May 31, 2023.

3. Procedures for Election of Directors

Lumosa Therapeutics Co., Ltd.

Procedures for Election of Directors

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.

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.

Article 3

The overall composition of the board of directors shall be taken into consideration in the selection of the Company's directors.

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 following two general standards:

1. Basic requirements and values:

Gender, age, nationality, and culture.

2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

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.

The board of directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.

Article 4

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 5

Elections of both directors 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.

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.

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.

Article 6

The cumulative voting method shall be used for election of the directors at the Company. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.

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.

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 winner, with the chairman drawing lots on behalf of any person not in attendance.

Article 9

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 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

A ballot is invalid under any of the following circumstances:

- 1.The ballot was not prepared by a person with the right to convene.
- 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 does not conform to the director candidate list.
- 5.In addition to filling in the name or account name of the electee, insert other characters.
- 6.The number of write-in candidates is two or more than two candidates.

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.

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.

Article 13

The board of directors of the Company shall issue notifications to the persons elected as directors.

Article 14

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 took effect on June 17, 2016.

The second Amendment took effect on July 7, 2021.

4. Shareholding of Directors

Lumosa Therapeutics Co., Ltd.

Shareholding of Directors

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

Position	Required shares by law	Shares on the book closure date
Directors	9,898,429	55,705,278

Note: Book closure date: March 4, 2024

2. Current Shareholding of Directors

Position	Name	Shares on the book closure date
Chairman	Jung Chin Lin Representative of Center Laboratories, Inc.	54,068,631
Director	Wann Lai Cheng Representative of Center Laboratories, Inc.	54,068,631
Director	Su-Chi Wang Representative of BioEngine Technology Development Inc.	1,170,169
Director	De Fu Hsieh Shun Cheng Pharmaceutical Co.	1,000
Director	Chung Hao Tasi	0
Director	Hsueh Lin Wang	465,478
Independent Director	Chih Hsiung Wu	0
Independent Director	Chih Yung Chin	0
Independent Director	Hai I Ma	0
Independent Director	Hsin-Jung Lin	0

Note: Book closure date: March 4, 2024