



Stock Code: 7827

HanchorBio Inc.

2026 Annual General Meeting

Meeting Handbook

Meeting Date: May 21, 2026

**Place of Meeting: 10F, No. 11, Zhongshan South Road,
Zhongzheng District, Taipei City**

(Chang Yung-Fa Foundation 1003 Meeting Room)

Method of Meeting: Physical shareholders' meeting

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HanchorBio Inc. 2026 Annual General Meeting

One. Meeting Procedure

- I. Call the Meeting to Order
- II. Chairperson Remarks
- III. Reported Items
- IV. Matters for Approval
- V. Matters for Discussion
- VI. Extempore Motions
- VII. Meeting Adjourned

HanchorBio Inc. 2026 Annual General Meeting

Two. Meeting Agenda

Time: May 21, 2026 (Thursday) at 10:00 am

Place: 10th Floor, No. 11, Zhongshan South Road, Zhongzheng District, Taipei City
(Chang Yung-Fa Foundation 1003 Meeting Room)

I. Call the Meeting to Order (report the number of shares represented)

II. Chairperson Remarks

III. Reported Items

- (I) 2025 Business Report
- (II) The Audit Committee reviewed the financial statements for 2025.
- (III) Report on accumulated losses reaching one half of the paid-in capital in 2025.
- (IV) Report on the implementation of the 2025 sound operation plan.

IV. Matters for Approval

- (I) Business report and financial statements for 2025.
- (II) Deficit compensation proposal for 2025

V. Matters for Discussion

- (I) Proposal for amendments to some provisions of the Company's Articles of Incorporation (Should be adopted by special resolution).
- (II) Proposal for amendments to some provisions of the Company's "Procedures for Loaning of Funds to Others."
- (III) Proposal for amendments to some provisions of the Company's "Regulations Governing Endorsements/Guarantees."
- (IV) Proposal for amendments to some provisions of the Company's "Regulations Governing Acquisition or Disposal of Assets."

VI. Extempore Motions

VII. Meeting Adjourned

Three. Reported Items

Motion no. 1

Proposal: 2025 business report is submitted for review.

Description: Please refer to “Attachment 1” (page 8-13) of this Handbook for the 2025 annual business report.

Motion no. 2

Proposal: The report of the Audit Committee’s review of the 2025 final accounts is submitted for review.

Description: Please refer to “Attachment 2” (page 14-15) of this Handbook for the 2025 Audit Committee Report.

Motion no. 3

Proposal: Report on accumulated deficit reaching one half of paid-in capital in 2025 is submitted for review.

Description:

- (I) As of the end of 2025, the Company’s accumulated losses reached half of its paid-in capital. According to Article 211 of the Company Act, the Board of Directors was required to report this to the most recent Shareholders’ Meeting.
- (II) According to the audited financial statements for 2025, the Company’s accumulated losses as of December 31, 2025, totaled NT\$ 3,105,182 thousand, which represented half of its paid-in capital (NT\$ 651,029 thousand).

Motion no. 4

Proposal: Report on the implementation of the 2025 sound operations plan is submitted for review.

Description:

- (I) Pursuant to Zheng-Gui-Shen No. 1140100941 dated June 6, 2025, the execution status of the Company’s sound operation plan shall be submitted to the Board of Directors for oversight and control, and reported to the Shareholders' Meeting.
- (II) For the Company's 2025 sound operation plan implementation report, please refer to “Attachment 3” (page 16-17) of this Handbook.

Four. Matters for Approval

Motion no. 1 (proposed by the Board of Directors)

Proposal: The 2025 annual business report and financial statements are submitted for approval.

Description:

- (I) The Company's 2025 consolidated financial statements were audited by Sheng-Wei Teng, CPA, and Yu-Fang Yen, CPA of PwC Taiwan, and received an unqualified opinion. The financial statements, together with the annual business report, were submitted to the Audit Committee for review and then to the Board of Directors for approval. Subsequently, they were submitted for approval by the Annual Shareholders' Meeting as required by law.
- (II) For the above mentioned annual business report, auditor's report, and consolidated financial statements, please refer to "Attachment 1" (page 8-13) and "Attachment 4" (page 18-27) of this Handbook.

Submitted for resolution:

Motion no. 2 (proposed by the Board of Directors)

Proposal: The 2025 loss carry forward proposal is submitted for approval.

Description: Please refer to "Attachment 5" (page 28-29) of this Handbook for the statement of deficit appropriation for 2025.

Five. Matters for Discussion

Motion no. 1 (proposed by the Board of Directors)

Proposal: The proposed amendments to certain articles of the Company's Articles of Incorporation are submitted for resolution.

Description:

- (I) In compliance with the Taiwan Stock Exchange Corporation's requirements for enhancing the protection of shareholders' equity and improving the company system, it is proposed to amend certain provisions of the Company's Articles of Incorporation. Please refer to this Handbook "Attachment 6" (page 30-34) for a comparison of the old and new provisions.
- (II) Submitted for resolution

Resolution:

Motion no. 2 (proposed by the Board of Directors)

Proposal: Amendments to certain provisions of the Company's "Operating Procedures for Lending of Funds to Others" are submitted for resolution.

Description:

(I) To comply with relevant laws and regulations and the Company's operational needs, it is proposed to amend some articles of the Company's "Operating Procedures for Lending of Funds to Others". Please refer to "Attachment 7" (page 35) of this Handbook for the comparison table of revised articles.

(II) Submitted for resolution

Submitted for resolution:

Motion no. 3 (proposed by the Board of Directors)

Proposal: Proposal for amendments to some provisions of the Company's "Regulations Governing Endorsements/Guarantees."

Description:

(I) To comply with relevant laws and regulations and the Company's operational needs, it is proposed to amend some articles of the Company's "Regulations Governing Endorsements/Guarantees". Please refer to "Attachment 8" (page 36) of this Handbook for the comparison table of revised articles.

(II) Submitted for resolution

Submitted for resolution:

Motion no. 4 (proposed by the Board of Directors)

Proposal: Proposal for amendments to some provisions of the Company's "Regulations Governing Acquisition or Disposal of Assets."

Description:

(I) To comply with relevant laws and regulations and the Company's operational needs, it is proposed to amend some articles of the Company's "Regulations Governing Acquisition or Disposal of Assets". Please refer to "Attachment 9" (page 37-38) of this Handbook for the comparison table of revised articles.

(II) Submitted for resolution

Six. Extempore Motions

Seven. Meeting Adjourned

Attachments

“Attachment 1“ 2025 Annual Business Report

HanchorBio Inc.

2025 Annual Business Report

Dear shareholders:

I would like to first express my gratitude to all shareholders for their strong support of HanchorBio-KY's first year of listing on the emerging stock market. I would like to express the Company's highest appreciation to all shareholders.

Since its establishment in 2020, HanchorBio, Inc. has continued to grow steadily and has actively developed new anti-cancer drugs, focusing on the field of tumor immunotherapy. The Company continues to promote fusion protein drugs with first-in-class and best-in-class potential through our proprietary FBDB™ (Fc-Based Designer Biologics) technology platform, and achieved key verification results in the clinical, international academic, and market sectors by 2025.

The Company was officially listed on the Taipei Exchange (TPEX) Emerging Stock Board (ESB) on June 20, 2025; completed a cash capital increase of NT\$ 680 million in September of the same year, and submitted its application for listing on the innovative board at the end of November, further enhancing its market visibility and capital momentum.

I hereby report to all shareholders the Company's 2025 business results, 2026 business plan, and future outlook as follows:

I. 2025 Operating Results

(I) Business plan implementation results

1. Clinical trial results

(1) First anti-cancer drug HCB101 results

- Clinical Phase 1a trial:

The statistics were based on the 13th dose (derivative dose) administered by December 2025. A total of 64 subjects had received the dose, and the previous dose (the 12th dose) had been reviewed and confirmed as safe by the Safety Committee.

- Starting clinical 1b/2 phase joint therapy trial:

As of December 2025, a total of 26 subjects had been recruited in mainland China and 3 in Taiwan. 23 subjects in mainland China who completed at least the first phase (6 weeks) of treatment have shown tumor control (SD) in 9 cases and significant tumor reduction (PR) in 14, while 2 subjects in Taiwan who completed the first phase (6 weeks) of treatment have shown significant tumor reduction (PR).

(2) Second anti-cancer drug HCB301 results

- In April 2025, China's NMPA granted approval for the new drug clinical trial (IND).

- In November 2025, Taiwan TFDA granted approval for the new drug clinical trial (IND).

- Clinical phase 1a trials were initiated. As of December 2025, the second dosage was approved by the Safety Committee and confirmed to be safe, allowing for recruitment of patients for the third dosage.

2. International visibility and accolades

- (1) In March 2025, the Company received the Company to Watch Out for in Taiwan from IMAPAC, an internationally renowned consulting firm.
- (2) The preliminary clinical data for HCB101 was presented at the American Society of Clinical Oncology (ASCO) in June 2025.
- (3) In July, the Company won the “Outstanding Innovation Award” of the 2025 Taiwan BIO Awards.
- (4) In October 2025, the results of HCB101 were published in the Journal of Hematology & Oncology (JHO).
- (5) In October 2025, the Company attended the annual conference of the Chinese Biomedical & Pharmaceutical Association (CBA) in the U.S. as the sole innovative pharmaceutical company from Taiwan.
- (6) In November 2025, the HCB301 preclinical research results were published at the Society for Immunotherapy of Cancer (SITC).
- (7) In December 2025, results from the HCB101 monotherapy clinical trial were presented at the American Hematology Society (ASH).
- (8) In December 2025, the Company was selected for oral presentation at the European Society for Medical Oncology (ESMO) Immuno-Oncology Congress.

3. Market and corporate development

- (1) In June 2025, a licensing agreement was signed with Shanghai Henlius Biotech, Inc. (hereinafter referred to as “Henlius”), a Chinese pharmaceutical company, with potential royalties reaching up to US\$202 million.
- (2) The company was listed on TPEx (stock code: 7827) in June 2025 and approved by the Taiwan Stock Exchange (TWSE) for its initial public offering on the innovative board in March 2026.
- (3) HCB101 obtained a U.S. patent.

(II) Budget Implementation

The Company has not made a public announcement regarding its financial forecast.

(III) Analysis of revenues, expenses, and profitability

1. Income and expenditure

The Company completed a NT\$ 680 million cash capital increase in September 2025. The 2025 annual operating revenue increased by NT\$ 312,223 thousand compared to 2024, primarily due to royalty revenue from HCB101. The 2025 annual operating expenses decreased by NT\$ 272,295 thousand compared to 2024, mainly because of the early exercise of employee stock option certificates in 2024, which led to the recognition of employee remuneration costs and a significant increase in share-based payment expense. The 2025 annual non-operating revenue and expenses increased by NT\$ 400,642 thousand compared to 2024, primarily due to a decrease in the valuation loss on financial liabilities measured at fair value through profit or loss in 2025. In conclusion, the current loss was reduced by NT\$ 962,584 thousand compared to the loss in 2024.

Unit: NT\$ Thousands

Item \ Year	2025	2024	Difference	
			Amount	%
Operating Revenue	312,223	-	312,223	100
Gross profit	312,223	-	312,223	100
Operating expenses	(679,823)	(952,118)	(272,295)	(28.60)
Operating loss	(367,600)	(952,118)	(584,518)	(61.39)
Non-operating income and expenses	(1,339)	(401,981)	(400,642)	(99.67)
Net loss before tax	(368,939)	(1,354,099)	(985,160)	(72.75)
Income tax expense	(22,576)	-	22,576	100
Net loss for the period	(391,515)	(1,354,099)	(962,584)	(71.09)

2. Profitability analysis

Item	2025	2024
Return on assets (%)	(45.43)	(243.40)
Return on equity (%)	(71.16)	Note 1
Ratio of net income (loss) before tax to paid-in capital (%)	(28.34)	(112.84)
Net income rate (%)	(125.40)	Note 2
Loss per share (NT\$)	(2.26)	(20.36)

Note 1: Financial ratios were not calculated due to negative equity.

Note 2: The Company's new drug is still in the R&D phase and has not yet been licensed for sale. There were no sales or receivables in 2024, and therefore are not included in the calculation.

(IV) R&D status

1. HCB101 :

- (1) Launch phase 1b/2a clinical trials (multi-national, multi-center, multi-cancer).
- (2) Combination therapy (IIT clinical trials) has been approved by TFDA for expanded indications (head and neck cancer, colorectal cancer).

2. HCB301 :

In a phase I clinical trial, safety was observed in two dosage groups, demonstrating good tolerability.

3. HCB303 :

The preparation for the application of a new drug clinical trial (IND) has begun. Promising preclinical efficacy results.

4. HCB206 :

The Company expanded into the autoimmune disease field and broadened the platform's application beyond oncology. Promising preclinical efficacy results.

5. Patent progress:

As of December 2025, there were a total of 143 patent applications, 69 patent publications, and one patent granted.

II. Summary of the Business Plan for 2026

The Company's new drug products are still in the R&D phase and require continuous investment of significant funds for clinical trials. To strengthen the Company's operations, improve its financial performance, and achieve profitability as soon as possible, 2026 is expected to be a value inflection year for the Company, marking its transition from “clinical proof of concept” to “commercial and capital market value realization”. The core operation this year is not expanding the number of R&D projects, but concentrating resources to complete milestones that are licensable, priceable, and understandable to the market. Therefore, the Company will continue to pursue global international licensing and cooperation, introduce resources from international partners, and obtain royalties and license fees to accelerate the new drug development process, enhance the overall value of new drugs, and increase shareholders' equity.

III. Future development strategies

The Company's development strategy focuses on becoming a clinical asset company with licensing and monetization potential through the development of breakthrough therapies for tumor immunity (IO) and autoimmune diseases. All R&D processes, resource allocation, and organizational decision-making are strictly focused on increasing the probability of asset licensing and aim to create quantifiable value nodes within 12 to 24 months.

(I) 2026 R&D and clinical milestones

The Company adopts a “3-3-2-2+1” value matrix strategy, planning to generate three clinical 2a proof-of-concept (POC) data sets to build a diversified asset portfolio and mitigate single-asset risk. Meanwhile, the Company completed IND-enabling work and official submissions for three R&D projects and ensured each project has a complete authorization data package. Launch two R&D projects to complete IND filings, with at least one focused on global markets, aligning regulatory strategy with business development timelines. In addition, the Company will also expand into more indications to obtain clinical proof-of-concept data, with the goal of becoming a unicorn biotech company specializing in next-generation multifunctional fusion protein drugs.

(II) Commercial development goals

The Company aims to complete at least one representative authorized transaction, either in Mainland China or in international markets, to establish an asset pricing benchmark and support operating cash flows. The pace of commercial development will be closely

integrated with clinical milestones. We will start negotiations with partners in advance of data release to ensure that clinical results can be quickly converted into commercial value.

(III) Corporate governance principles

The Company will strictly adhere to the Board of Directors' oversight mechanism, and major resource adjustments must be reported and strategic assumptions revised immediately to ensure a sustainable positive cycle for R&D, market capitalization, and funding.

By the end of 2026, we expect HanchorBio, Inc. to achieve significant licensing results, reach multiple clinical POC milestones for core assets such as HCB101, and continue to strengthen its competitive advantage in the global biotechnology industry. We also aim for clear market recognition of the company's clinical assets' licensing potential and international approval.

IV. Impacts of the external competitive environment, regulatory environment, and the overall business environment

The biggest difference between the biotech industry and other industries is that new drug development requires significant time and financial investment. Biotech companies often operate at a loss for years and depend heavily on continuous financial support from shareholders. They must also adhere to strict regulations and accept the risk of research and development failure.

The Company currently focuses its new drug R&D efforts on the development of immunotherapeutic anti-cancer drugs and seeks collaboration with major pharmaceutical companies to facilitate this work. Leveraging the clinical design expertise and royalty income from these partnerships, HanchorBio, Inc. aims to advance its new drug R&D more efficiently and fulfill its mission to develop new medicines for the benefit of shareholders and society.

Best Regards

Wishing you peace, happiness, and all the best

HanchorBio Inc

Chairman: LIU SHI-KAU

“Attachment 2“ Audit Committee Review Report for 2025

HanchorBio Inc.

Audit Committee Review Report for 2025

Approved hereby

The Board of Directors has prepared the Company's financial statements, annual business report and deficit compensation proposal for 2025, which have been audited by Sheng-Wei Teng, CPA and Yu-Fang Yen, CPA of PwC Taiwan, and the audit report bearing unqualified opinions was issued accordingly. Said financial statements, business report and deficit compensation proposal have been reviewed by the Audit Committee, and no discrepancies were found. Therefore, a report is prepared in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act for your consideration.

Respectfully submitted

HanchorBio Inc. 2026 Annual General Meeting

Convener of the Audit Committee: SHER CHING-JU

March 25, 2026

“Attachment 3“ 2025 sound operation plan
implementation report

HanchorBio Inc.

Report on the implementation status of the 2025 sound operation plan

The Company's sound operation plan implementation status through the fourth quarter of 2025 is described below:

Unit: NT\$ Thousands

Item	Actual	Budget	Difference	Increase/decrease percentage
Operating Revenue	312,223	293,000	19,223	7%
Operating costs	-	-	-	-
Gross profit	312,223	293,000	19,223	7%
Operating expenses	(679,823)	(900,946)	221,123	(25%)
Operating loss	(367,600)	(607,946)	240,346	(40%)
Non-operating income and expenses	(1,339)	5,647	(6,986)	(124%)
Net loss before tax	(368,939)	(602,299)	233,360	(39%)
Income tax expense	(22,576)	-	(22,576)	(100%)
Net loss for the period	(391,515)	(602,299)	210,784	(35%)

I. Operating Revenue

The licensing fee revenue of NT\$ 312,223 thousand (US\$10 million) was received in the third quarter of 2025 in Mainland China. The difference of NT\$ 19,223 thousand was due to exchange rate fluctuations.

II. Operating expenses

The actual operating expenses decreased by NT\$ 221,123 thousand from the budget, as R&D and clinical-related expense recognition was postponed in line with progress in those areas.

III. Non-operating income and expenses

Actual non-operating income and expenses were NT\$ 6,986 thousand below budget, mainly due to a net foreign exchange loss of NT\$8,430 thousand caused by exchange rate fluctuations.

IV. In conclusion, the actual loss for 2025 was NT\$ 210,784 thousand less than budgeted.

V. 2025 R&D progress

- (I) HCB101: Entered phase 1b/2 clinical trial. The 2L GC combination therapy demonstrated an objective response rate (ORR) of 80%, which was significantly higher than that of the historical standard therapy (26.5%).
- (II) HCB301: In a phase I clinical trial, safety was observed in two dosage groups, demonstrating good tolerability.
- (III) HCB303: Preparation for the Investigational New Drug (IND) application for new drug clinical trials
- (IV) HCB206: The plan is to extend into the field of autoimmune diseases and broaden the platform's application beyond oncology.
- (V) Patent progress: As of December 2025, a total of 143 patent applications were filed, 69 patents were published, and one patent was obtained.

**“Attachment 4“ 2025 External Auditor’s Report and
Consolidated Financial Statements**



Independent Auditor's Report

(26) Cai-Shen-Bao No. 25004206

To HanchorBio, Inc.:

Audit Opinions

We have audited the accompanying balance sheets of HanchorBio Inc. (the “Company”) as at December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity, and cash flows for the years then ended, as well as the notes to the consolidated financial statements (including a summary of significant accounting policies).

In our opinion, the above consolidated financial statements have been prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, Interpretations and Announcements approved and issued by the Financial Supervisory Commission, fairly presenting the consolidated financial position of the HanchorBio, Inc. as of December 31, 2025 and 2024, and the consolidated financial performance and consolidated cash flows for the years ended December 31, 2025 and 2024.

Basis for Audit Opinions

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. The personnel of the accounting firm to which we belong have maintained independence from HanchorBio, Inc. in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China and fulfilled other responsibilities under the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PricewaterhouseCoopers, Taiwan 110208 27F, No. 333, Section 1,
Keelung Road, Xinyi District, Taipei City
27F, No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei 110208,
Taiwan T: +886 (2) 2729 6666, F:+ 886 (2) 2729 6686,
www.pwc.tw

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 financial statements for the year ended 2025. We addressed these matters in the course of our audit of the financial statements in their entirety and in the development of our audit opinion. We do not express a separate opinion on these specific matters.

The key audit matters of the Company's 2025 financial statements are as follows:

Key audit matter –Existence of bank deposits

Notes to key audit matters

As of December 31, 2025, the Company's cash and cash equivalents totaled NT\$ 1,064,402 thousand, representing 91% of its consolidated total assets. Given the high proportion of these assets to consolidated total assets, we accountants identified the existence of bank deposits as a key audit matter.

Corresponding audit procedures

The main audit procedures that we have performed on the specific aspects of the above key audit matters are summarized as follows:

1. Confirming special agreements with banks and financial institutions to verify the existence of bank deposits and the related rights and obligations.
2. Verifying the authenticity of the required information for bank account confirmation.
3. The large amount of cash receipts and disbursements were required for operations and there were no significant or unusual transactions.
4. Confirm whether the time deposits on the cash and cash equivalents list met the conditions for cash equivalents as stated in Note 4(6) of the consolidated financial statements.

Key audit matter –Recognition of licensing contract revenue

Notes to key audit matters

Please refer to note 4 (22) to the consolidated financial statements for the accounting policy of licensing contract revenue; please refer to note 6 (16) to the consolidated financial statements for the description of licensing contract revenue.

HanchorBio, Inc. is primarily engaged in new drug research and development and www.pwc.com

licensing. In fiscal year 2025, recognition of licensing contract revenue was mainly based on the terms stipulated in the license agreements. Due to the complex judgments required to identify performance obligations within customer contracts and determine when contract revenue is satisfied, and because this has a material impact on the consolidated financial statements, the recognition of licensing contract revenue was identified as a key audit matter for the current year.

Corresponding audit procedures

The main audit procedures that we have performed on the specific aspects of the above key audit matters are summarized as follows:

1. Obtaining management authorization for the policy on recognizing contractual revenue and confirming that the recognition of authorized contractual revenue has been properly reviewed and approved.
2. Obtain executed licensing agreements and evaluate whether management's identification of performance obligations and the timing of revenue recognition are consistent with the terms of the signed contracts.
3. Confirm that the performance obligations and the timing of revenue recognition identified by management complied with IFRS 15 "Revenue from Contracts with Customers."
4. Confirm that the recognized revenue or contract liability matches the booked amount based on the aforementioned results.

Responsibilities of management for the consolidated financial statements

The responsibilities of management are to prepare consolidated financial statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRS, IAS, and interpretations developed by the International Financial Reporting Interpretations Committee recognized and issued into effect by the Financial Supervisory Commission, and to maintain the necessary internal controls associated with their preparation to ensure that the consolidated financial statements are free from material misstatement arising from fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing relevant matters, and adopting the going concern basis of accounting unless management intends to liquidate the Company or cease operations with no other viable alternatives.

The governance unit of HanchorBio, Inc. is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance on whether the consolidated financial statements as a whole are free from material misstatement arising from fraud or error and to issue an independent auditors' report. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with auditing standards of the Republic of China detected material misstatements in the consolidated financial statements. Misstatements can arise from fraud or error. If the amount of misstatement, either individually or in aggregate, could reasonably be expected to influence the economic decisions of users of the consolidated financial statements, it is considered material.

While performing the audit in accordance with the audit standards of the Republic of China, we exercised professional judgment and maintained professional skepticism. We have also performed the following procedures:

1. Identified and assessed the risks of material misstatement arising from fraud or error in the consolidated financial statements; designed and implemented appropriate responses to those risks; and obtained sufficient appropriate audit evidence to serve as a basis for our audit 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 internal control of the Company.
3. Evaluate the appropriateness of the accounting policies used by management and the reasonableness of their accounting estimates and related disclosures.
4. Based on the audit evidence obtained, conclude on the appropriateness of management's use of the going concern basis of accounting and whether significant uncertainties exist regarding events or circumstances that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that material uncertainties or conditions exist, in the auditors' report we are required to draw the users' attention to note the related disclosures in the financial statements, or modify our opinion if such disclosures are inappropriate. Our conclusion is based on the audit evidence obtained as of the date of the audit report. However, future events or conditions may cause the Company to cease to be 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

fairly present the related transactions and events.

6. Obtain sufficient and appropriate audit evidence concerning the financial information of entities within the Group, to express an opinion on the consolidated financial statements. We are responsible for guiding, supervising, and executing the Group's audit engagements, and for forming the Group's audit opinions.

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

We also provide the governing body with evidence from the independence compliance personnel of the accounting firm we are affiliated with regarding compliance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China concerning independence, and communicate to the governing body all relationships and other matters (including relevant safeguards) that could be considered to affect the accountants' independence.

We communicated with the governing body the matters determined for the key audit matters of the 2025 consolidated financial statements of HanchorBio, Inc. We describe these matters in our auditors' report unless law or regulation precludes public disclosure of them, or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the liabilities of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Sheng-Wei Teng

Yu-Fang Yen

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 25, 2026

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

British Cayman Islands Han Kang Biotechnology Co., Ltd. and its Subsidiaries
Consolidated Balance Sheet
December 31, 2025 and 2024

Unit: NT\$ Thousands

	Assets	Notes	December 31, 2025		December 31, 2024	
			Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	6(1)	\$ 1,064,402	91	\$ 405,498	75
1136	Financial assets measured at amortized cost—current	6(2) and 8	-	-	14,419	3
1200	Other receivables		4,595	-	3,005	-
1410	Prepayments		12,462	1	10,049	2
1470	Other current assets	8	198	-	212	-
11XX	Total current assets		<u>1,081,657</u>	<u>92</u>	<u>433,183</u>	<u>80</u>
	Non-current assets					
1600	Property, plant and equipment	6(3)	74,629	6	81,934	15
1755	Right-of-use assets	6(4)	7,013	1	19,035	3
1780	Intangible assets	6(5)	3,162	-	2,861	1
1900	Other non-current assets		5,137	1	4,775	1
15XX	Total non-current assets		<u>89,941</u>	<u>8</u>	<u>108,605</u>	<u>20</u>
1XXX	Total assets		<u>\$ 1,171,598</u>	<u>100</u>	<u>\$ 541,788</u>	<u>100</u>
	Liabilities and equities					
	Current liabilities					
2100	Short-term loan	6(6)	\$ 93,824	8	\$ 26,376	5
2120	Financial liabilities at fair value through profit or loss—current	6(8)	-	-	89,746	17
2200	Other payables	6(7)	199,690	17	173,514	32
2280	Lease liabilities - current		7,558	1	12,324	2
2300	Other current liabilities		1,286	-	1,153	-
21XX	Total current liabilities		<u>302,358</u>	<u>26</u>	<u>303,113</u>	<u>56</u>
	Non-current liabilities					
2580	Lease liabilities - non-current		-	-	7,558	1
2XXX	Total liabilities		<u>302,358</u>	<u>26</u>	<u>310,671</u>	<u>57</u>
	Equity					
	Share capital	6(11)				
3110	Common share capital		1,302,057	111	1,200,000	222
	Capital surplus	6(12)				
3200	Capital surplus		2,584,454	221	1,989,464	367
	Retained earnings	6(13)				
3350	Losses to be offset		(3,105,182)	(265)	(2,828,461)	(522)
	Other equities					
3400	Other equities		(115,518)	(10)	(129,886)	(24)
3500	Treasury shares	6(11)	(73)	-	-	-
31XX	Total equity attributable to shareholders of the parent company		<u>665,738</u>	<u>57</u>	<u>231,117</u>	<u>43</u>
36XX	Non-controlling interests	4(3) and 6 (24)	<u>203,502</u>	<u>17</u>	<u>-</u>	<u>-</u>
3XXX	Total equity		<u>869,240</u>	<u>74</u>	<u>231,117</u>	<u>43</u>
	Significant contingent liabilities and unrecognized contractual commitments	9				
	Significant Subsequent Events	11				
3X2X	Total liabilities and equities		<u>\$ 1,171,598</u>	<u>100</u>	<u>\$ 541,788</u>	<u>100</u>

Chairman: LIU SHI-KAU

General Manager: LIU SHI-KAU

Accounting Officer: Tseng Mu-Tseng

British Cayman Islands Han Kang Biotechnology Co., Ltd. and its Subsidiaries
Consolidated Statement of Comprehensive Income
January 1 to December 31, 2024 and 2025

Unit: NT\$ Thousands
(Except for loss per share in NTD)

Item	Notes	2025		2024	
		Amount	%	Amount	%
4000 Operating Revenue	6(14)	\$ 312,223	100	\$ -	-
5000 Operating costs		-	-	-	-
5900 Gross profit		312,223	100	-	-
Operating expenses	6(18)(19)				
6200 Management expenses		(131,740)	(42)	(162,881)	-
6300 R&D expenses		(548,083)	(176)	(789,237)	-
6000 Total operating expenses		(679,823)	(218)	(952,118)	-
6900 Operating loss		(367,600)	(118)	(952,118)	-
Non-operating income and expenses					
7100 Interest revenue	6(15)	12,909	4	6,282	-
7010 Other income		57	-	89	-
7020 Other gains and losses	6(16)	(11,377)	(3)	(403,448)	-
7050 Financial costs	6(17)	(2,928)	(1)	(4,904)	-
7000 Total non-operating income and expenses		(1,339)	-	(401,981)	-
7900 Net loss before tax		(368,939)	(118)	(1,354,099)	-
7950 Income tax expense		(22,576)	(7)	-	-
8200 Net loss for the period		<u>(\$ 391,515)</u>	<u>(125)</u>	<u>(\$ 1,354,099)</u>	<u>-</u>
Items that will not be reclassified subsequently to profit or loss:					
8341 Exchange differences on translation of the financial statements of foreign operations		\$ 15,509	5	(\$ 89,012)	-
Items that may be reclassified subsequently to profit or loss					
8361 Exchange differences on translation of the financial statements of foreign operations		22,461	7	(1,656)	-
8300 Other comprehensive income (net)		<u>\$ 37,970</u>	<u>12</u>	<u>(\$ 90,668)</u>	<u>-</u>
8500 Total comprehensive income for the current period		<u>(\$ 353,545)</u>	<u>(113)</u>	<u>(\$ 1,444,767)</u>	<u>-</u>
Net loss attributable to:					
8610 Owners of the parent company		(\$ 276,721)	(88)	(\$ 1,354,099)	-
8620 Non-controlling interests		(114,794)	(37)	-	-
		<u>(\$ 391,515)</u>	<u>(125)</u>	<u>(\$ 1,354,099)</u>	<u>-</u>
Total comprehensive income attributable to:					
8710 Owners of the parent company		(\$ 262,353)	(84)	(\$ 1,444,767)	-
8720 Non-controlling interests		(91,192)	(29)	-	-
		<u>(\$ 353,545)</u>	<u>(113)</u>	<u>(\$ 1,444,767)</u>	<u>-</u>
Loss per share					
9750 Basic loss per share	6(21)		2.26		20.36
9850 Diluted loss per share			2.26		20.36

Chairman: LIU SHI-KAU

General Manager: LIU SHI-KAU

Accounting Officer: Tseng Mu-Tseng

British Cayman Islands Han Kang Biotechnology Co., Ltd. and its Subsidiaries
Consolidated Statement of Changes in Equity
January 1 to December 31, 2024 and 2025

Unit: NT\$ Thousands

	Notes	Equity attributable to shareholders of the parent company							Non-controlling interests	Total equity
		Common share capital	Capital surplus	Losses to be offset	Other equities	Treasury shares	Total			
					Foreign operations Conversion of financial statements Foreign exchange differences					
<u>2024</u>										
January 1		\$ 22,783	\$ 128,536	(\$ 1,474,362)	(\$ 39,218)	(\$ 8,500)	\$ -	(\$ 1,370,761)	\$ -	(\$ 1,370,761)
Net loss for the period		-	-	(1,354,099)	-	-	-	(1,354,099)	-	(1,354,099)
Total other comprehensive income for the current period		-	-	-	(90,668)	-	-	(90,668)	-	(90,668)
Total comprehensive income for the current period		-	-	(1,354,099)	(90,668)	-	-	(1,444,767)	-	(1,444,767)
Compensation cost of RSAs	6(10)	-	-	-	-	8,500	-	8,500	-	8,500
Compensation cost of stock options	6(10)	-	303,463	-	-	-	-	303,463	-	303,463
Cash capital increase		53	7,033	-	-	-	-	7,086	-	7,086
Exercise stock options		2,466	110,531	-	-	-	-	112,997	-	112,997
Conversion of convertible preferred shares		19,389	2,595,210	-	-	-	-	2,614,599	-	2,614,599
Reverse split of common stock and par value adjustment		1,155,309	(1,155,309)	-	-	-	-	-	-	-
December 31		<u>\$ 1,200,000</u>	<u>\$ 1,989,464</u>	<u>(\$ 2,828,461)</u>	<u>(\$ 129,886)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 231,117</u>	<u>\$ -</u>	<u>\$ 231,117</u>
<u>2025</u>										
January 1		<u>\$ 1,200,000</u>	<u>\$ 1,989,464</u>	<u>(\$ 2,828,461)</u>	<u>(\$ 129,886)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 231,117</u>	<u>\$ -</u>	<u>\$ 231,117</u>
Net loss for the period		-	-	(276,721)	-	-	-	(276,721)	(114,794)	(391,515)
Total other comprehensive income for the current period		-	-	-	14,368	-	-	14,368	23,602	37,970
Total comprehensive income for the current period		-	-	(276,721)	14,368	-	-	(262,353)	(91,192)	(353,545)
Cash capital increase	6(11)	100,000	580,000	-	-	-	-	680,000	-	680,000
Compensation cost of employee stock options under cash capital increase	6(10)	-	9,939	-	-	-	-	9,939	-	9,939
Exercise stock options	6(10)(11)	2,057	3,351	-	-	-	-	5,408	-	5,408
Buyback of treasury stock	6(11)	-	-	-	-	-	(73)	(73)	-	(73)
Employee trust shares returned due to lapse.		-	1,700	-	-	-	-	1,700	-	1,700
Changes in ownership interests in subsidiaries	6(24)	-	-	-	-	-	-	-	294,694	294,694
December 31		<u>\$ 1,302,057</u>	<u>\$ 2,584,454</u>	<u>(\$ 3,105,182)</u>	<u>(\$ 115,518)</u>	<u>\$ -</u>	<u>(\$ 73)</u>	<u>\$ 665,738</u>	<u>\$ 203,502</u>	<u>\$ 869,240</u>

Chairman: LIU SHI-KAU

General Manager: LIU SHI-KAU

Accounting Officer: Tseng Mu-Tseng

British Cayman Islands Han Kang Biotechnology Co., Ltd. and its Subsidiaries
Consolidated statement of cash flows
January 1 to December 31, 2024 and 2025

Unit: NT\$ Thousands

	Notes	For the year ended December 31, 2025	For the year ended December 31, 2024
<u>Cash outflow from operating activities</u>			
Net loss before tax for the period		(\$ 368,939)	(\$ 1,354,099)
Adjusted item			
Adjustments to reconcile profit (loss):			
Depreciation expense	6(3)(4)(18)	36,608	36,179
Amortization expense	6(5)(18)	1,283	1,224
Interest expenses	6(17)	2,928	4,904
Interest revenue	6(15)	(12,909)	(6,282)
Compensation cost arising from employee stock options	6(10)	9,939	311,963
Gain on financial assets at fair value through profit or loss	6(16)	-	(1,121)
Net loss on financial liabilities at fair value through profit or loss	6(16)	2,947	399,213
Changes in operating assets and liabilities:			
Net changes in assets related to operating activities			
Prepayments		(2,413)	(1,316)
Other receivables		(1,590)	(1,305)
Other current assets		14	(212)
Other non-current assets		-	(177)
Net changes in operating liabilities			
Other payables		26,176	1,717
Increase in other current liabilities		133	262
Cash outflow from operating activities		(305,823)	(609,050)
Interest received		12,909	6,282
Interest paid		(2,928)	(4,904)
Income tax paid for this period		(22,576)	-
Net cash outflow from operating activities		(318,418)	(607,672)
<u>Cash flow from investing activities</u>			
Acquisition of financial assets at FVTPL		-	(278,350)
Disposal of financial assets at FVTPL		-	355,195
Financial assets measured at amortized cost- current increase		-	(486)
Financial assets measured at amortized cost- current decrease		13,953	-
Acquisition of property, plant and equipment	6(22)	(17,163)	(18,777)
Acquisition of intangible assets	6(5)	(1,584)	(190)
Increase in refundable deposits		(725)	(1,242)
Decrease in refundable deposits		337	2,156
Net cash outflow (inflow) from investing activities		(5,182)	58,306
<u>Cash flow from financing activities</u>			
Increase in financial liabilities at fair value through profit or loss		-	805,262
Decrease in financial liabilities at fair value through profit or loss	6(23)	(84,689)	(296,039)
Proceeds from short-term loans		122,531	26,236
Repayment of short-term loans		(55,857)	(30,468)
Repayment of the principal of the lease	6(23)	(12,324)	(11,567)
Repayment of long-term loans	6(23)	-	(8,532)
Cash contribution from non-controlling interests for capital increase of subsidiaries	6(24)	294,694	-
Cash capital increase	6(11)	680,000	7,086
Buyback of treasury stock	6(11)	(73)	-
Employee trust shares returned due to lapse.		1,700	-
Exercise stock options	6(10)(12)	5,408	112,997
Net cash inflows from financing activities		951,390	604,975
Effect of foreign exchange rate changes on cash and cash equivalents		31,114	8,020
Increase in cash and cash equivalents for this period		658,904	63,629
Opening balance of cash and cash equivalents		405,498	341,869
Closing balance of cash and cash equivalents		\$ 1,064,402	\$ 405,498

Chairman: LIU SHI-KAU

General Manager: LIU SHI-KAU

Accounting Officer: Tseng Mu-Tseng

“Attachment 5” 2025 Statement of Deficit
Compensation

HanchorBio Inc. and subsidiaries
Statement of Deficit Compensation

2025

Unit: NT\$

<u>Item</u>	<u>Amount</u>
Cumulative loss at the beginning of the period	(2,828,460,886)
Net loss after tax for the period	(276,721,518)
Losses to be offset for this period	(3,105,182,404)
Loss offset	0
Cumulative loss at the end of the period	(\$3,105,182,404)

“Attachment 6” Comparison Table of Old and New Articles of Incorporation

HanchorBio Inc.

Table Comparing Old and New Provisions of the Articles of Association

CL.	Original Provision	Revised Provision
Cover/Page 1	adopted by a Special Resolution passed on April 20, 2025	(adopted by a Special Resolution passed on May 21, 2026)
2.4	Unless otherwise resolved by the Members in general meeting by Ordinary Resolution, where the Company increases its issued share capital by issuing new shares for cash consideration pursuant to Article 2.3, after allocation of the Public Offering Portion, including, for the avoidance of doubt, any percentage in excess of 10% of the total amount of the new shares to be issued for offering in the ROC to the public as resolved by the Members in general meeting be offered pursuant to Article 2.3, and the Employee Subscription Portion pursuant to Article 2.3, the Company shall make a public announcement and notify each Member that he is entitled to exercise a pre-emptive right to purchase his pro rata portion of the remaining new shares, to be issued in the capital increase for cash consideration. The Company shall state in such announcement and notices to the Members the procedures for exercising such pre-emptive rights. Where an exercise of the pre-emptive right may result in fractional entitlement of a Member, the entitlements (including fractional entitlements) of two or more Members may be combined to jointly subscribe for one or more whole new	Unless otherwise resolved by the Members in general meeting by Ordinary Resolution, where the Company increases its issued share capital by issuing new shares for cash consideration pursuant to Article 2.3, after allocation of the Public Offering Portion, including, for the avoidance of doubt, any percentage in excess of 10% of the total amount of the new shares to be issued for offering in the ROC to the public as resolved by the Members in general meeting be offered pursuant to Article 2.3, and the Employee Subscription Portion pursuant to Article 2.3, the Company shall make a public announcement and notify each Member that he is entitled to exercise a pre-emptive right to purchase his pro rata portion of the remaining new shares, to be issued in the capital increase for cash consideration. The Company shall specify in such announcement and notice to the Members that if any Member fails to exercise their pre-emptive rights within the prescribed period, they shall be deemed to have forfeited their right to subscribe for such newly issued shares. The Company shall state in such announcement and notices to the Members the procedures for exercising

CL.	Original Provision	Revised Provision
	<p>shares in the name of a single Member, subject to compliance with the Applicable Public Company Rules. If the total number of the new shares to be issued has not been fully subscribed for by the Members within the prescribed period, the Company may consolidate such shares into the public offering tranche or offer any un-subscribed new shares to a specific person or persons in such manner as is consistent with the Applicable Public Company Rules. (omitted)</p>	<p>such pre-emptive rights. Where an exercise of the pre-emptive right may result in fractional entitlement of a Member, the entitlements (including fractional entitlements) of two or more Members may be combined to jointly subscribe for one or more whole new shares in the name of a single Member, subject to compliance with the Applicable Public Company Rules. If the total number of the new shares to be issued has not been fully subscribed for by the Members within the prescribed period, the Company may consolidate such shares into the public offering tranche or offer any un-subscribed new shares to a specific person or persons in such manner as is consistent with the Applicable Public Company Rules. (omitted)</p>
12.4	<p>Subject to the Law, the Company may be wound up voluntarily: (a)if the Company resolves by Ordinary Resolution that it be wound up voluntarily because the Company is unable to pay its debts as they fall due; or (omitted)</p>	<p>Subject to the Law, the Company may be wound up voluntarily: (a)if the Company resolves by Supermajority Resolution that it be wound up voluntarily because the Company is unable to pay its debts as they fall due; or (omitted)</p>
20.5	<p>For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Company shall announce to the public the notice of a general meeting, the proxy instrument, agendas and materials relating to the matters to be reported and discussed in the general meetings, including but not limited to, election or discharge of Directors, in accordance with Article</p>	<p>For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Company shall, at least thirty days prior to any annual general meeting or at least fifteen days prior to any extraordinary general meeting (as the case may be), announce to the public the notice of a general meeting, the proxy instrument, agendas and materials relating to the matters to be</p>

CL.	Original Provision	Revised Provision
	<p>20.2, and shall transmit the same via the Market Observation Post System in accordance with Applicable Public Company Rules. If the voting power of a Member at a general meeting shall be exercised by way of a written ballot, the Company shall also send the written document for the Member to exercise his voting power together with the above mentioned materials in accordance with Article 20.2. The Board shall prepare a meeting handbook of the relevant general meeting and supplemental materials, which will be made available to all Members and shall be transmitted to the Market Observation Post System in accordance with the Applicable Public Company Rules. If the Company's total paid-in capital exceeds NT\$2 billion at the most recent financial year end date, or if the shareholding of foreign and PRC investors reaches more than thirty percent of the total number of issued shares as recorded in the Register of Members as of the date of the general meeting held in the most recent financial year, the foregoing transmission of information and materials via or to the Market Observation Post System shall be completed at least thirty days for an annual general meeting.</p>	<p>reported and discussed in the general meetings, including but not limited to, election or discharge of Directors, in accordance with Article 20.2, and shall transmit the same via the Market Observation Post System in accordance with Applicable Public Company Rules. If the voting power of a Member at a general meeting shall be exercised by way of a written ballot, the Company shall also send the written document for the Member to exercise his voting power together with the above mentioned materials in accordance with Article 20.2. The Board shall, at least thirty days prior to any annual general meeting (or fifteen days prior to any extraordinary general meeting), prepare a meeting handbook of the relevant general meeting and supplemental materials, which will be made available to all Members and shall be transmitted to the Market Observation Post System in accordance with the Applicable Public Company Rules.</p>
23.2	<p>For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Board shall submit business reports, financial statements and proposals for distribution of profits or allocation of losses prepared by it for the purposes of annual general</p>	<p>For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Board shall, at the end of each financial year, submit business reports, financial statements and proposals for distribution of profits or allocation of losses prepared by it for the</p>

CL.	Original Provision	Revised Provision
	meetings of the Company for ratification by the Members in a manner consistent with the Applicable Public Company Rules. After ratification by the Members at the general meeting, the Board shall distribute copies of or announce to the public the ratified financial statements and the Company's resolutions on distribution of profits or allocation of losses, to each Member or otherwise make the same available to the Members in accordance with the Applicable Public Company Rules.	purposes of annual general meetings of the Company for ratification by the Members in a manner consistent with the Applicable Public Company Rules. After ratification by the Members at the general meeting, the Board shall distribute copies of or announce to the public the ratified financial statements and the Company's resolutions on distribution of profits or allocation of losses, to each Member or otherwise make the same available to the Members in accordance with the Applicable Public Company Rules.
34.5	For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Directors (including Independent Directors and Directors other than Independent Directors) shall be nominated by adopting the candidate nomination system specified in the Applicable Public Company Rules.	For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Independent Directors shall be elected by adopting the candidate nomination system specified in the Applicable Public Company Rules, and Members shall elect the Independent Directors from the list of candidates for Independent Directors; the Directors (other than Independent Directors) shall be elected by adopting the candidate nomination system specified in the Applicable Public Company Rules, and Members shall elect the Directors (other than Independent Directors) from the list of candidates for Directors (other than Independent Directors).
35.6	Notwithstanding anything to the contrary, where a government agency or corporation (or other legal entity) is a Member, such government agency or corporation (or other legal entity) (each of which being referred to in these Articles as an "Appointer") is entitled to	Notwithstanding anything to the contrary, where a government agency or corporation (or other legal entity) is a Member, such government agency or corporation (or other legal entity) (each of which being referred to in these Articles as an "Appointer") is entitled to

CL.	Original Provision	Revised Provision
	<p>appoint one or more individual representatives to be elected as Directors (for the purpose of these Articles, the “Appointee Directors”) in accordance with this Article 35. (omitted)</p>	<p>appoint one or more individual representatives to be elected as Directors, and where an Appointer appoints more than one individual representative, each representative may be elected as a Director respectively (each, for the purpose of these Articles, an “Appointee Director”) in accordance with this Article 35. (omitted)</p>

“Attachment 7“ Comparison Table of Amendments to the “Regulations Governing Loaning of Funds to Others”

Article	Provision prior to amendment	Provision after amendment
Article 8	<p>Subsequent control measures for disbursed loans and procedures for handling overdue debts</p> <p>I. Extension</p> <p>If necessary, the borrower shall apply for an extension of one year or one operating cycle (whichever is longer) before the loan transaction matures, subject to approval by the Board of Directors.</p> <p>(Omitted)</p>	<p>Subsequent control measures for disbursed loans and procedures for handling overdue debts</p> <p>I. Extension</p> <p>If necessary, the borrower shall apply for an extension of one year or one operating cycle (whichever is longer) before the loan transaction matures, subject to approval by the Board of Directors.</p> <p>Notwithstanding said agreement, the extension of loan term is only applicable to the loans between foreign subsidiaries in which the group, a public company, directly and indirectly holds 100% of the voting shares (i.e., subsidiary to subsidiary), or loans from foreign subsidiaries in which the public company directly and indirectly holds 100% of the voting shares to the public company (i.e., subsidiary to parent company).</p> <p>(Omitted)</p>
Article 12	<p>Implementation and amendments</p> <p>I. The procedures shall be implemented after approval by the Board of Directors and submission to the Audit Committee. If a director expresses a dissenting opinion and there is a record or written statement, the Company shall submit the objection to the Audit Committee for discussion, and the same applies to amendments.</p> <p>(Omitted)</p>	<p>Implementation and amendments</p> <p>I. After the Procedures are approved by the Audit Committee, they will be submitted to the Board of Directors and implemented after approval by the shareholders' meeting. If a director expresses director's dissent and there is a record or written statement, the Company shall submit its dissent to the Audit Committee and the shareholders' meeting for discussion, and the same applies to amendments.</p> <p>(Omitted)</p>

“Attachment 8“ Comparison Table of Amendments to the “ Regulations Governing Endorsements/Guarantees”

Article	Provision prior to amendment	Provision after amendment
Article 8	<p>Instructions to making of endorsements/guarantees (Omitted)</p> <p>(IV) When the Company or subsidiaries provide endorsements/guarantees for any subsidiaries with net worth less than half of their paid-in capital, the requirements referred to in the preceding paragraph shall apply, and the Company’s internal auditors shall also audit the Procedures for Making Endorsements/Guarantees and their implementation status at least quarterly and keep written records. If material violations are found, they shall immediately notify the Audit Committee in writing.</p>	<p>Instructions to making of endorsements/guarantees (Omitted)</p> <p>(IV) When the Company or subsidiaries provide endorsements/guarantees for any subsidiaries with net worth less than half of their paid-in capital, the requirements referred to in the preceding paragraph shall apply, and the Company’s internal auditors shall also audit the Procedures for Making Endorsements/Guarantees and their implementation status at least quarterly and keep written records. If material violations are found, they shall immediately notify the Audit Committee in writing.</p> <p>“Paid-in capital” is defined as the amount of share capital actually paid by shareholders, which equals “total number of issued shares x par value per share” = the sum of share capital + capital surplus (including share premium and other items legally included in capital surplus). However, for matters that need to be announced, filed, or other information disclosure pursuant to the law, the “paid-in capital” within the quota only refers to the Company’s paid-in capital, not including capital surplus. Where the law provides otherwise, the law shall prevail.</p>

“Attachment 9” Comparison Table of the Amendments to the
“Regulations Governing Acquisition or Disposal of Assets”

Article	Provision prior to amendment	Provision after amendment
Article 4	<p>Definitions: (Omitted)</p> <p>X. The “most recent financial statements” referred to herein mean the Company's financial statements audited or reviewed by a certified public accountant before the acquisition or disposal of assets.</p>	<p>Definitions: (Omitted)</p> <p>X. The “most recent financial statements” referred to herein mean the financial statements audited or reviewed by a certified public accountant before the company acquired or disposed of assets.</p> <p>XI. Paid-in capital: The amount of share capital actually paid by shareholders, which equals “total number of issued shares x par value per share” = the sum of share capital + capital surplus (including share premium and other items legally included in capital surplus). However, for matters that need to be announced, filed, or other information disclosure pursuant to the law, the “paid-in capital” within the quota only refers to the Company’s paid-in capital, not including capital surplus. Where the law provides otherwise, the law shall prevail.</p>
Article 8	<p>Procedures for Acquisition or Disposal of Securities Investments</p> <p>I. Procedures for determination of transaction terms and authorized limit (Omitted)</p> <p>(V) If an Audit Committee has been established in accordance with the Securities and Exchange Act, the establishment or amendment of the procedures for acquisition or disposal of assets shall be approved by a majority of all Audit Committee members and submitted to the Board of Directors for resolution.</p>	<p>Procedures for Acquisition or Disposal of Securities Investments</p> <p>I. Procedures for determination of transaction terms and authorized limit (Omitted)</p> <p>(III) If an Audit Committee has been established in accordance with the Securities and Exchange Act, the establishment or amendment of the procedures for acquisition or disposal of assets shall be approved by a majority of all Audit Committee members and submitted to the Board of Directors for resolution.</p> <p>(IV) Restrictions: The Company shall not transfer, assign or otherwise dispose of or dilute</p>

Article	Provision prior to amendment	Provision after amendment
		the equity interest in its subsidiary, FBD Biologics Limited.
Article 12	<p>Procedures for acquisition or disposal of derivative products</p> <p>I. Trading principles and policies (Omitted)</p> <p>(VII) Limit of losses The overall and individual contract loss limits are set as follows:</p> <ol style="list-style-type: none"> 1. Hedging transaction: The transaction was carried out to meet the Company’s specific needs, and the associated risks were assessed and controlled in advance, so there is no issue about the limit of loss. 2. Transactions for specific purposes: The “operations team” shall carry out transactions within the authorized amount, and a stop-loss point shall be set after a derivative product position is established to prevent excessive losses. The stop-loss point set shall not exceed 5% of the transaction amount. 	<p>Procedures for acquisition or disposal of derivative products</p> <p>I. Trading principles and policies (Omitted)</p> <p>(VII) Limit of losses The overall and individual contract loss limits are set as follows:</p> <ol style="list-style-type: none"> 1. Hedging transaction: The transaction was carried out to meet the Company’s specific needs. Under the condition that the associated risks were assessed and controlled in advance, the stop-loss point for all contracts was set at a maximum of 5% of the total contract amount, and the stop-loss point for each individual contract was set at a maximum of 5% of the individual contract amount. 2. Transactions for specific purposes: The “operations team” shall carry out transactions within the authorized amount, and a stop-loss point shall be set after a derivative product position is established to prevent excessive losses. The stop-loss point for all contracts was set at a maximum of 5% of the total contract amount, and the stop-loss point for each individual contract was set at a maximum of 5% of the individual contract amount.
Article 18	<p>Implementation and amendments The Company's “Regulations Governing Acquisition or Disposal of Assets” shall be implemented after approval by the Board of Directors and submission to the Audit Committee. The same procedure applies to any amendments. If a director expresses a dissenting opinion and there is a record or written statement of that dissent, the Company shall submit the director's dissenting information to the Audit Committee. (Omitted)</p>	<p>Implementation and amendments The Company's “Regulations Governing Acquisition or Disposal of Assets” shall be implemented after approval by the Audit Committee, submission to the Board of Directors, and approval by the shareholders’ meeting. If a director expresses dissent and such dissent is recorded or stated in writing, the Company shall submit the director’s dissent information to the Audit Committee and the shareholders’ meeting for discussion, and the same shall apply to any amendments. (Omitted)</p>

Appendix

Appendix 1: Rules of Procedure for Shareholders' Meetings

HanchorBio Inc.

Regulations: “Rules of Procedure for Shareholders’ Meetings”	Document Number: HA-001-03
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Version No.	Date of establishment/ amendment	Summary of revisions	Approved
01	September 18, 2024	First Issuance (Applicable after IPO)	LIU SHI-KAU

HanchorBio Inc.

Regulations: “Rules of Procedure for Shareholders' Meetings”	Document Number: HA-001-03
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Article 1: To establish a sound governance system for the Company’s shareholders meetings, improve monitoring functions, and strengthen management functions, the Rules are formulated in accordance with Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies for compliance.

Article 2: Unless otherwise provided by laws or the Articles of Incorporation, the rules of procedure for the Company's shareholders meetings shall follow the Rules.

Article 3: Unless otherwise provided by laws and regulations, the shareholders’ meetings of the Company shall be convened by the Board of Directors.

The Company shall prepare electronic versions of the annual general meeting notice and power of attorney, 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) within 30 days before the date of the annual general meeting or 15 days before the date of a special shareholders’ meeting. The Company shall prepare electronic versions of the annual general meeting agenda and supplemental meeting materials and upload them to the MOPS within 21 days before the date of the annual general meeting or 15 days before the date of the special shareholders’ meeting. Within 15 days before the date of the shareholders’ meeting, the Company 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 the Company and the professional shareholder services agent designated thereby.

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

Matters pertaining to election or discharge of directors, alteration of 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, dissolution, merger, spin-off, or any matters as set forth in Paragraph I, Article 185 of the Company Act, Article 26-1 and Article 43-6 of the Securities and Exchange Act, and Article 56-1 and Article 60-2 of the Regulations Governing the Offering and

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Issuance of Securities by Securities Issuers shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extempore motions; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the Company, and such website shall be indicated in the above notice.

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 extempore motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit a proposal for discussion at a regular meeting, limited to one item per shareholder. Proposals containing more than one item will not be included in the meeting agenda. Shareholders may submit recommendatory proposals to urge the Company to promote public interests or fulfill social responsibilities. Procedurally, the number of such proposals is limited in accordance with the relevant provisions of Article 172-1 of the Company Act. Proposals containing more than one item will not be included in the meeting agenda. Additionally, when the circumstances of any subparagraph of Paragraph 4 of Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda.

Prior to the book closure date before an annual general meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission, and the period for submission of shareholder proposals may not be less than 10 days.

Any proposal submitted by a shareholder is 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 annual general meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of an annual general meeting, the Company shall inform the shareholders who submit proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. With regard to the proposals submitted by shareholders but not included as

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motions at the meeting, the cause of exclusion of such proposals and explanation shall be made by the Board of Directors at the annual general meeting to be convened.

Article 4: Shareholders may appoint proxies to attend shareholders’ meetings on their behalf by completing the Company's power of attorney and specifying the scope of delegated authority.

Each shareholder may issue one power of attorney and delegate one proxy only. A power of attorney must be received by the Company at least 5 days before the shareholders’ meeting. In cases where multiple power of attorney are issued, the one that arrives first shall prevail. However, this excludes situations where the shareholder has issued a proper declaration to withdraw the previous proxy arrangement.

After a power of attorney has been delivered to the Company, 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 the Company two business days before the meeting date. If the cancellation notice is submitted after due date, votes casted at the meeting by the proxy shall prevail.

Article 5: (Principles for the venue and time of shareholders’ meetings)

The venue for a shareholders’ meeting shall be the premises of the Company, 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.

Article 6: (Preparation of the attendance book and other documents)

The Company shall specify in its meeting notices the time during which attendance registrations of shareholders will be accepted, the place to register for attendance, and any other important matters.

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.

Shareholders or their proxies (hereinafter referred to as the “shareholders”) shall attend the shareholders’ meetings based on the attendance pass, sign-in cards, or other

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certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting power of attorneys shall also bring identification documents for verification.

The Company 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.

Shareholders who attend the shareholders’ meeting shall be given a copy of the meeting handbook, annual report, attendance pass, opinion slip, agenda ballots and any information relevant to the meeting. Additional ballots shall be prepared if director election is also being held during the meeting.

Where the shareholder is a government agency or juristic person, more than one representative may attend shareholders’ meetings on behalf of it. Juristic persons that have been designated as proxy attendants can only appoint one representative to attend the shareholders’ meeting.

Article 7: (Chairperson of the shareholders meeting and attendees)

If a shareholders’ meeting is convened by the Board of Directors, the meeting shall be presided over by the Chairman. When the Chairman is on leave or for any reason unable to exercise the powers of the chairperson, the Chairman shall appoint the Vice Chairman to act as the chairperson. If no Vice Chairman is appointed or the Vice Chairman is also on leave or for any reason unable to exercise the power of the chairperson, the Chairman shall appoint one of the managing directors to act as the chairperson. If no managing director is appointed, the Chairman shall appoint one director to act as the chairperson. If the Chairman does not make such a designation, the managing directors, or directors, shall select from among themselves one person to serve as the chairperson.

When a managing director, or director, serves as the chairperson, as referred to in the preceding paragraph, the managing director, or director, shall be one who has held that position for 6 months or more and who understands the financial and business conditions of the Company. The same shall apply, if the chairperson is a juristic person director’s representative.

It is advisable that shareholders’ meetings convened by the Board of Directors be presided over by the Chairman in person and attended by a majority of the directors,

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and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

For the shareholders’ meeting that is convened by any person with the power to convene the meeting other than the Board of Directors, the person shall serve as the chairperson. If there are two or more persons with the power to convene the meeting at the same time, one shall be appointed among themselves to preside over the meeting.

The Company may appoint its attorneys-at-law, certified public accountants, or related persons retained by it to attend a shareholders’ meeting.

Article 8: (Evidence of the audio or video recordings of the shareholders' meeting)

The Company, 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 meeting, and the voting and vote counting procedures.

The recorded materials referred to in the preceding paragraph shall be retained for at least one year. However, if a shareholder files a lawsuit under Article 189 of the Companies Act, they shall be retained until the lawsuit is concluded.

Article 9: Attendance at a shareholders’ meeting shall be calculated based on shares held. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chairperson shall call the meeting to order at the appointed meeting time and also announce the information about the number of shares that do not have voting rights and number of shares represented by shareholders present at the meeting, provided, however, that if the total amount of shares represented at the meeting do not exceed one-half of the total number of the issued shares, the chairperson may postpone the meeting, and the postponement of the meeting shall be limited to two times, and the total time postponed shall not exceed one hour. 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 chairperson shall declare the meeting adjourned.

If the quorum is not met after two postponements, but the attending shareholders represent one-third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1 of Article 175 of the Company Act. This tentative resolution shall then be communicated to every shareholder and another

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shareholders’ meeting shall be held within one month.

If the number of shares represented accumulate to more than half of all outstanding shares as the meeting progresses, the chairperson may propose the tentative resolutions for final vote according 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 motion in the agenda (including extempore motions and amendments to the original motions 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 a shareholders’ meeting.

The above rule also applies if the shareholders’ meeting is convened by any person with the power to convene the meeting other than the Board of Directors.

Before the parliamentary procedure is accomplished in accordance with the agenda (including extemporaneous motions) as stated in the preceding two paragraphs, the chairperson cannot announce for the adjournment of the meeting unless with the resolution rendered by the shareholders. If the chairperson 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 chairperson in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

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

Article 11: (Speeches by shareholders)

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

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 contents of the speech are not in alignment with the subject on the speaker's slip, the spoken contents shall prevail.

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Except with the consent of the chairperson, 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 chairperson 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 chairperson and the shareholder that has the floor. The chairperson 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 chairperson may respond in person or direct relevant personnel to respond.

Article 12: (Calculation of voting shares)

Voting at shareholders’ meetings shall be calculated based on number of shares held.

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 the Company, 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 authority in charge of securities, 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 RSAs or are deemed non-voting shares under Paragraph 2, Article 179 of the

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Company Act.

When the Company holds a shareholders’ 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 extempore motions and amendments to original proposals of that meeting. Therefore, it is advisable that the Company avoid the submission of extempore 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 the Company before two days before the date of the shareholders’ meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, unless the shareholder has issued a proper declaration to withdraw said 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, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, 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 the Company’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 chairperson or a person designated by the chairperson 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

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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 chairperson 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 chairperson, provided that all monitoring personnel shall be shareholders of the Company.

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.

Article 14: (Election Matters)

The election of directors at a shareholders’ meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the number 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 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: Resolutions adopted by a shareholders’ meeting shall be recorded in the meeting minutes. The meeting minutes shall be affixed with the signature or seal of the chairperson and distributed to all shareholders within 20 days after the meeting. The minutes may be produced and distributed in an electronic form.

The Company may distribute the meeting minutes referred to in 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 chairperson's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of

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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 the Company.

Article 16: (Public announcement)

On the day of a shareholders’ meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders’ meeting. 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) regulations, the Company shall upload the contents of such resolution to the MOPS within the prescribed time period.

Article 17: (Maintenance of meeting order)

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

The chairperson 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 the Company, the chairperson may prevent the shareholder from so doing.

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

Article 18: (Recess and resumption of the meeting)

When a meeting is in progress, the chairperson may announce a break based on time considerations. If a force majeure event occurs, the chairperson 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 extempore motions) on the meeting agenda have been addressed, the

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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: The Rules shall be enforced upon approval of a shareholders’ meeting. The same shall apply where the Rules are amended.

Appendix 2: Articles of Incorporation
(Before Amendment)

THE COMPANIES ACT (AS REVISED)
COMPANY LIMITED BY SHARES

AMENDED AND RESTATED MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

HanchorBio Inc.

Incorporated on the 11th day of November, 2020
(adopted by a Special Resolution passed on April 20, 2025)

THE COMPANIES ACT (As Revised)
COMPANY LIMITED BY SHARES
AMENDED AND RESTATED
MEMORANDUM OF ASSOCIATION

OF

HanchorBio Inc.

(adopted by Special Resolution passed on April 20, 2025)

1. The name of the Company is HanchorBio Inc.
2. The Registered Office of the Company is at the offices of Asia Leading Corporate Services (Cayman) Limited, Suite 102, Cannon Place, P.O. Box 712, North Sound Rd., George Town Grand Cayman, KY1-9006, Cayman Islands, or at such other place within the Cayman Islands as the Board may decide.
3. The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by the Companies Act (As Revised).
4. The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by the Companies Act (As Revised).
5. Nothing in the preceding sections shall be deemed to permit the Company to carry on the business of a Bank or Trust Company without being licensed in that behalf under the provisions of the Banks and Trust Companies Act (As Revised), or to carry on Insurance Business from within the Cayman Islands or the business of an Insurance Manager, Agent, Sub-agent or Broker without being licensed in that behalf under the provisions of the Insurance Act (As Revised), or to carry on the business of Company Management without being licensed in that behalf under the provisions of the Companies Management Act (As Revised).
6. The Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands; provided that nothing in this section shall be construed as to prevent the Company effecting and concluding contracts in the Cayman Islands, and exercising in the Cayman Islands all of its powers necessary for the carrying on of its business outside the Cayman Islands.
7. The liability of each Member is limited to the amount from time to time unpaid on

such Member's shares.

8. The authorized share capital of the Company is New Taiwan Dollars 3,000,000,000 divided into 300,000,000 ordinary shares of a par value of New Taiwan Dollars [10.00] each provided always that subject to the provisions of the Companies Act (As Revised) and the Articles of Association, the Company shall have power to redeem or purchase any of its shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.
9. If the Company is registered as exempted, its operations will be carried on subject to the provisions of Section 174 of the Companies Act (As Revised).

**THE COMPANIES ACT (AS REVISED)
COMPANY LIMITED BY SHARES
AMENDED AND RESTATED**

ARTICLES OF ASSOCIATION

OF

HanchorBio Inc.

(adopted by a Special Resolution passed on April 20, 2025)

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THE COMPANIES ACT (AS REVISED)
COMPANY LIMITED BY SHARES
AMENDED AND RESTATED ARTICLES OF ASSOCIATION

OF

HanchorBio Inc.

(adopted by a Special Resolution passed on April 20, 2025)

Table A

The regulations in Table A in the First Schedule to the Law (as defined below) do not apply to the Company.

INTERPRETATION

1. Definitions

1.1 In these Articles, the following words and expressions shall, where not inconsistent with the context, have the following meanings, respectively:

Acquisition	as defined in the ROC Business Mergers and Acquisitions Act whereby a company acquires shares, business or assets of another company on exchange for shares, cash or other assets.
Applicable Law	the Applicable Public Company Rules, the Law or such other rules or legislation applicable to the Company;
Applicable Public Company Rules	the ROC laws, rules and regulations (including, without limitation, the Company Law of the ROC, the Securities and Exchange Law of the ROC, the rules and regulations promulgated by the FSC, the rules and regulations promulgated by the TPEX and the rules and regulations promulgated by the TWSE, as amended from time to time) affecting public reporting

	companies or companies listed on any ROC stock exchange or securities market that from time to time are required by the relevant regulator as applicable to the Company;
Articles	these Articles of Association as altered from time to time;
Audit Committee	the audit committee of the Board, which shall comprise solely of all the Independent Directors of the Company;
Board	the board of directors appointed or elected pursuant to the Articles and acting at a meeting of directors at which there is a quorum in accordance with the Articles;
Capital Reserve	for the purpose of the Articles only, comprises of the premium paid on the issuance of any share and income from endowments received by the Company;
Chairman	the Director elected amongst all the Directors as the chairman of the Board;
Company	HanchorBio Inc.;
Compensation Committee	a committee of the Board, which shall be comprised of professional individuals and having the functions, in each case, prescribed by the Applicable Public Company Rules;
Communication Facilities	shall mean video, video-conferencing, internet or online -conferencing and/or any other video-communication facilities permitted under the Applicable Public Company Rules;
Cumulative Voting	the voting mechanism for an election of Directors as described in Article 35.2;
Directors	the directors for the time being of the Company and shall include any and all

	Independent Director(s);
Directors' Remuneration	has the meaning given thereto in Article 14.4;
Dissenting Member	has the meaning given thereto in Article 28.2;
Electronic Record	has the same meaning as in the Electronic Transactions Act;
Electronic Transactions Act	the Electronic Transactions Act (As Revised) of the Cayman Islands;
Employees' Compensations	has the meaning given thereto in Article 14.4;
Employee Subscription Portion	has the meaning given thereto in Article 2.3;
Employee of Entry-Level	shall mean the employees who are not appointed as senior managers by the Board and whose salary is below the baseline level specified in the “ Regulations for Tax Preferences Provided to SME (Small and Medium Enterprises) on Wage Payment Raising.”
ESM	the emerging stock market of the ROC;
Family Relationship within Second Degree of Kinship	in respect of a person, means another person who is related to the first person either by blood or by marriage of a member of the family and within the second degree shall include the parents, siblings, grandparents, children and grandchildren of the first person as well as the parents, siblings and grandparents of the first person's spouse;
FSC	the Financial Supervisory Commission of the ROC;
Independent Directors	the Directors who are elected as “Independent Directors” in accordance with the Applicable Public Company Rules or the Articles;

Joint Operation Contract	a contract between the Company and one or more person(s) or entit(ies) where the parties thereto agree to pursue the same business venture and jointly bear losses and enjoy profits arising out of such business venture in accordance with the terms thereof;
Law	The Companies Act (As Revised) of the Cayman Islands and every modification, reenactment or revision thereof for the time being in force;
Lease Contract	a contract or arrangement between the Company and any other person(s) pursuant to which such person(s) lease or rent from the Company the necessary means and assets to operate the whole business of the Company in the name of such person, and as consideration, the Company receives a pre-determined compensation from such person;
Litigious and Non-Litigious Agent	a person appointed by the Company pursuant to the Applicable Law as the Company's process agent for purposes of service of documents in the relevant jurisdiction and the Company's responsible person in the ROC under the Securities and Exchange Law of the ROC;
Management Contract	a contract or arrangement between the Company and any other person(s) pursuant to which such person(s) manage and operate the business of the Company in the name of and for the benefit of the Company, and as consideration, such person(s) receive a pre-determined compensation from the Company while the Company continues to be entitled to the profits (or losses) of such business;
Market Observation Post	the public company reporting system

System	maintained by the TWSE;
Member	a person registered in the Register of Members as the holder of shares in the Company and, when two or more persons are so registered as joint holders of shares, means a person whose name stands first in the Register of Members as one of such joint holders or all of such persons, as the context so requires;
Memorandum	the memorandum of association of the Company as altered from time to time;
Merger	means: (a) a “merger” or “consolidation” as defined under the Law; or (b) other forms of mergers and acquisitions which fall within the definition of “merger and/or consolidation” under the Applicable Public Company Rules;
month	calendar month;
Notice	written notice as further provided in the Articles unless otherwise specifically stated;
Officer	any person appointed by the Board to hold an office in the Company;
Ordinary Resolution	a resolution passed at a general meeting (or, if so specified, a meeting of Members holding a class of shares) of the Company by not less than a simple majority vote of the Members present at the meeting, in person or by proxy;
Preferred Shares	has the meaning given thereto in Article 6;
Private Placement	means, for so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in Taiwan, the private placement by the Company of shares or other securities

	of the Company as permitted by the Applicable Public Company Rules;
Public Offering Portion	has the meaning given thereto in Article 2.3;
Register of Directors and Officers	the register of directors and officers referred to in Article 42;
Register of Members	the register of members of the Company maintained in accordance with the Law and (as long as the shares of the Company are traded on the ESM or listed on the TPEX or the TWSE in Taiwan) the Applicable Public Company Rules;
Registered Office	the registered office for the time being of the Company;
Restricted Shares	has the meaning given thereto in Article 2.5;
ROC	Taiwan, the Republic of China;
Seal	the common seal or any official or duplicate seal of the Company;
Secretary	a person appointed to perform any or all of the duties of secretary of the Company and includes any deputy or assistant secretary and any person appointed by the Board to perform any of the duties of the Secretary;
share(s)	share(s) of par value New Taiwan Dollars [10.00] each in the Company;
Share Exchange	a 100% share exchange as defined in the ROC Business Mergers and Acquisitions Act whereby a company (the “Acquiring Company”) acquiring all the issued and outstanding shares of another company with the consideration being the shares of the Acquiring Company, cash or other assets;

Special Resolution	Subject to the Law, means a resolution passed at a general meeting of the Company by a majority of at least two-thirds of the votes cast by such Members who, being entitled to do so, vote in person or by their proxies, or, in the case of Members that are corporations or other non-natural person, by their duly authorized representatives by computing the number of votes to which each Member is entitled;
Spin-off	a spin-off as defined in the ROC Business Mergers and Acquisitions Act whereby a company transfers a part or all of its business that may be operated independently to an existing company or a newly incorporated company (the “Acquirer”) with the consideration being the shares of the Acquirer, cash or other assets;
Statutory Reserve	has the meaning given thereto in Article 14.5;
Subsidiary	with respect to any company, (1) the entity, more than one half of whose total number of the issued voting shares or the total amount of the share capital are directly or indirectly held by such company; or (2) the entity that such company has a direct or indirect control over its personnel, financial or business operation;
Supermajority Resolution	a resolution passed by a majority vote of the Members present at a general meeting attended by Members who represent two-thirds or more of the total issued shares or, if the total number of shares represented by the Members present at the general meeting is less than two-thirds of the total issued shares, but more than one half of the total issued shares, means

	instead, a resolution passed by two-thirds or more of votes cast by the Members present at such general meeting;
TPEX	the Taipei Exchange;
Treasury Shares	means shares of the Company held in treasury pursuant to the Law and the Articles;
TDCC	the Taiwan Depository & Clearing Corporation;
TWSE	the Taiwan Stock Exchange Corporation;
Virtual Meeting	means any general meeting of the Members at which the Members (and any other permitted participants of such meeting, including without limitation, the Chairman of such meeting and any Directors) are permitted to attend and participate solely by means of Communication Facilities; and
year	calendar year.

1.2 In the Articles, where not inconsistent with the context:

- (a) words denoting the plural number include the singular number and vice versa;
- (b) words denoting the masculine gender include the feminine and neuter genders;
- (c) words importing persons include companies, associations or bodies of persons whether corporate or not;
- (d) the words:-
 - (i) “may” shall be construed as permissive; and
 - (ii) “shall” shall be construed as imperative;
- (e) “written” and “in writing” include all modes of representing or reproducing words in visible form, including the form of an Electronic Record;
- (f) a reference to statutory provision shall be deemed to include any amendment or re-enactment thereof;

- (g) unless otherwise provided herein, words or expressions defined in the Law shall bear the same meaning in the Articles; and
- (h) Sections 8 and 19 (3) of the Electronic Transactions Act shall not apply to the extent that it imposes obligations or requirements in addition to those set out in the Articles.

1.3 Headings used in the Articles are for convenience only and are not to be used or relied upon in the construction hereof.

SHARES

2. Power to Issue Shares

- 2.1** Subject to Applicable Law, the Articles and any resolution of the Members to the contrary, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the Board shall have the power to issue any unissued shares of the Company on such terms and conditions as it may determine and any shares or class of shares (including the issue or grant of options, warrants and other rights, renounceable or otherwise in respect of shares) may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Company may, subject to Article 6.1, by Ordinary Resolution of the Members prescribe, provided that no share shall be issued at a discount except in accordance with the Law and the Applicable Public Company Rules.
- 2.2** Unless otherwise provided in the Articles, the issue of new shares of the Company shall be approved by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors. The issue of new shares shall at all times be subject to the sufficiency of the authorized capital of the Company.
- 2.3** After the application for trading of the shares on the ESM or listing in the ROC has been approved by the TPEX or the TWSE, as applicable, where the Company increases its issued share capital by issuing new shares for cash consideration in the ROC, the Company shall allocate 10% of the total amount of the new shares to be issued, for offering in the ROC to the public (“**Public Offering Portion**”) unless it is not necessary or appropriate, as determined by the FSC, the TPEX or the TWSE (as applicable) for the Company to conduct the aforementioned public offering or otherwise provided by Applicable Law. However, if a percentage higher than the aforementioned 10% is resolved by the Members in a general meeting by Ordinary Resolution to be offered, the percentage determined by such resolution shall prevail and shares corresponding to such percentage shall be reserved as Public Offering Portion. The Company may also reserve no more than ten percent of such new shares for subscription by the employees of the Company and its Subsidiaries (“**Employee Subscription Portion**”). The Company may prohibit such employees from

transferring the shares so subscribed within a certain period; provided, however, that such a period cannot be more than two years.

- 2.4** Unless otherwise resolved by the Members in general meeting by Ordinary Resolution, where the Company increases its issued share capital by issuing new shares for cash consideration pursuant to Article 2.3, after allocation of the Public Offering Portion, including, for the avoidance of doubt, any percentage in excess of 10% of the total amount of the new shares to be issued for offering in the ROC to the public as resolved by the Members in general meeting be offered pursuant to Article 2.3, and the Employee Subscription Portion pursuant to Article 2.3, the Company shall make a public announcement and notify each Member that he is entitled to exercise a pre-emptive right to purchase his pro rata portion of the remaining new shares, to be issued in the capital increase for cash consideration. The Company shall state in such announcement and notices to the Members the procedures for exercising such pre-emptive rights. Where an exercise of the pre-emptive right may result in fractional entitlement of a Member, the entitlements (including fractional entitlements) of two or more Members may be combined to jointly subscribe for one or more whole new shares in the name of a single Member, subject to compliance with the Applicable Public Company Rules. If the total number of the new shares to be issued has not been fully subscribed for by the Members within the prescribed period, the Company may consolidate such shares into the public offering tranche or offer any un-subscribed new shares to a specific person or persons in such manner as is consistent with the Applicable Public Company Rules.

If any person who has subscribed the new shares (by exercising the aforesaid pre-emptive right of Members or subscribing the Public Offering Portion or the Employee Subscription Portion) fails to pay when due any amount of the subscription price in relation to such newly-issued shares within the payment period as determined by the Company, the Company shall fix a period of no less than one month and call for payment of the subscription price; otherwise, the Company may declare a forfeiture of such subscription. No forfeiture of such subscription shall be declared as against any such person unless the amount due thereon shall remain unpaid for such period after such demand has been made. Notwithstanding the provisions of the preceding sentence, forfeiture of the subscription may be declared without the demand process if the payment period for subscription price set by the Company is one month or longer. Upon forfeiture of the subscription, the shares remaining unsubscribed to shall be offered for subscription in such manner as is consistent with the Applicable Public Company Rules.

- 2.5** Subject to the Applicable Law, the Company may issue new shares with restricted rights (“**Restricted Shares**”) to employees of the Company and its Subsidiaries with the sanction of a Supermajority Resolution provided that Article 2.3 shall not apply in respect of the issue of such shares. For so long as

the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the terms of issue of Restricted Shares, including but not limited to the number of Restricted Shares so issued, issue price of Restricted Shares and other related matters shall be in accordance with the rules promulgated by the competent authority of securities of the ROC.

2.6 The pre-emptive right of employees under Article 2.3 and the pre-emptive right of Members under Article 2.4 shall not apply in the event that new shares are issued due to the following reasons or for the following purposes:

- (a) in connection with a Merger, Share Exchange, Spin-off, or pursuant to any reorganization of the Company;
- (b) in connection with meeting the Company's obligations under share subscription warrants and/or options, including those rendered in Articles 2.8 and 2.11;
- (c) in connection with the issue of Restricted Shares in accordance with Article 2.5;
- (d) in connection with meeting the Company's obligations under convertible bonds or corporate bonds vested with rights to acquire shares;
- (e) in connection with meeting the Company's obligations under Preferred Shares vested with rights to acquire shares;
- (f) in connection with the issue of shares in accordance with Article 14.7 or Article 17; or
- (g) in connection with Private Placement of the securities issued by the Company.

2.7 The Company shall not issue any unpaid shares or partly paid shares.

2.8 Notwithstanding Article 2.5, the Company may, upon approval by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors, adopt one or more employee incentive programmes and may issue shares or options, warrants or other similar instruments, to employees of the Company and its Subsidiaries.

2.9 Options, warrants or other similar instruments issued in accordance with Article 2.8 above are not transferable save by inheritance.

2.10 Directors of the Company and its Subsidiaries shall not be eligible for Restricted Shares pursuant to Article 2.5 or the incentive programmes pursuant to Article 2.8, provided that directors who are also employees of the Company or its Subsidiaries may subscribe for Restricted Shares or participate in an incentive programme in their capacity as an employee and not as a director of the Company or its Subsidiaries.

2.11 The Company may enter into agreements with employees of the Company

and/or the employees of its Subsidiaries in relation to the incentive programme approved pursuant to Article 2.8 above, whereby employees may subscribe for, within a specific period, a specific number of the shares. The terms and conditions of such agreements shall be no less restrictive on the relevant employee than the terms specified in the applicable incentive programme.

3. Redemption and Purchase of Shares

- 3.1** Subject to the Law, the Company is authorized to issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or a Member.
- 3.2** The Company is authorized to make payments in respect of the redemption of its shares out of capital or out of any other account or fund authorized for this purpose in accordance with the Law.
- 3.3** The redemption price of a redeemable share, or the method of calculation thereof, shall be fixed by the Board at or before the time of issue.
- 3.4** Every share certificate relating to redeemable share shall indicate that the share is redeemable.
- 3.5** For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, subject to the provisions of the Applicable Law and the Articles, the Company may, upon approval by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors, purchase its own shares (including any redeemable shares) on such terms and in such manner as the Board may determine and hold them as Treasury Shares in accordance with the Applicable Law PROVIDED THAT if any purchase of the Company's own shares from all the Members involves any immediate cancellation of shares of the Company, such repurchase of shares is subject to approval by the Members by way of an Ordinary Resolution and the number of shares of the Company to be cancelled shall be effected based on the then prevailing percentage of shareholding of all the Members as of the date of such cancellation on a pro rata basis (as rounded up or down to the nearest whole number as determined by the Board), unless otherwise provided for in the Law or the Applicable Public Company Rules.

Upon approval by Members by way of an Ordinary Resolution to repurchase and cancel shares of the Company, the repurchase price may be paid in any manner authorized by the Law, including in cash or in kind, provided that where any repurchase price is to be paid in kind, the monetary equivalent value of such payment in kind shall be (a) assessed by an ROC certified public accountant before being submitted by the Board to the Members for approval as part of the Ordinary Resolution authorizing the repurchase and cancellation of shares of the Company; and (b) agreed to individually by each Member who will be receiving the repurchase price in kind. Without prejudice to this Article 3.5, in the case

of a repurchase of shares by the Company for purposes of changing the currency denomination of share capital of the Company, consent of the holders of the shares subject to such repurchase shall not be required.

- 3.6** In the event that the Company proposes to purchase any share traded on the ESM or listed on the TPEX or the TWSE in the ROC and holds them as Treasury Shares pursuant to the preceding Article, the resolution of the Board approving such proposal and the implementation thereof should be reported to the Members in the next general meeting in accordance with the Applicable Public Company Rules. Such reporting obligation shall also apply even if the Company does not implement the proposal to purchase its shares traded on the ESM or listed on the TPEX or the TWSE in the ROC for any reason.
- 3.7** For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Company is authorized to purchase any share traded on the ESM or listed on the TPEX or the TWSE in the ROC in accordance with the following manner of purchase:
- (a) the total price of the shares purchased by the Company shall not exceed the sum of retained earnings minus earnings distribution resolved by the Board or the general meeting, plus the following realized capital reserve:
 - (i) the premium received from the disposal of assets that has not been booked as retained earnings;
 - (ii) the premium paid on the issuance of any share and income from endowments received by the Company provided however that income from the shares shall not be included before such shares have been transferred to others;
 - (b) the maximum number of shares purchased by the Company shall not exceed ten percent of the total number of issued and outstanding shares of the Company; and
 - (c) the purchase shall be at such time, at such price and on such other terms as determined and agreed by the Board in its sole discretion provided however that:
 - (i) such purchase transactions shall be in accordance with the applicable ROC securities laws and regulations and the Applicable Public Company Rules; and
 - (ii) such purchase transactions shall be in accordance with the Law.
- 3.8** Subject to Article 3.5 and the Applicable Public Company Rules, the redemption or repurchase price may be paid in any manner permissible under the Law as determined by the Board.
- 3.9** A delay in payment of the redemption price shall not affect the redemption but, in the case of a delay of more than thirty days, interest shall be paid for the

period from the due date until actual payment at a rate which the Board, after due enquiry, estimates to be representative of the rates being offered by banks holding “A” licenses (as defined in the Banks and Trust Companies Law (Revised) of the Cayman Islands) in the Cayman Islands for thirty day deposits in the same currency.

- 3.10** The Board may exercise as it thinks fit the powers conferred on the Company by Section 37(5) of the Law (payment out of capital) but only if and to the extent that the redemption could not otherwise be made (or not without making a fresh issue of shares for this purpose).
- 3.11** Subject as aforesaid, the Board may determine, as it thinks fit all questions that may arise concerning the manner in which the redemption of the shares shall or may be affected.
- 3.12** No share may be redeemed unless it is fully paid.
- 3.13** The Board may designate as Treasury Shares any of its shares that it purchases or redeems, or any shares surrendered to it, in accordance with the Applicable Law.
- 3.14** No dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to Members on a winding up of the Company) may be made to the Company in respect of a Treasury Share.
- 3.15** The Company shall be entered in the Register of Members as the holder of the Treasury Shares provided that:
- (a) the Company shall not be treated as a Member for any purpose and shall not exercise any right in respect of the Treasury Shares, and any purported exercise of such a right shall be void;
 - (b) a Treasury Share shall not be voted, directly or indirectly, at any meeting of the Company and shall not be counted in determining the total number of issued shares at any given time, whether for the purposes of the Articles or the Law.
- 3.16** After the Company purchases the shares traded on the ESM or listed on the TPEX or the TWSE in the ROC, any proposal to transfer the Treasury Shares to the employees of the Company and its Subsidiaries at a price below the average actual repurchase price must be approved by Special Resolution in the next general meeting and the items required by the Applicable Public Company Rules shall be specified in the notice of the general meeting and may not be proposed as an extempore motion. The aggregate number of Treasury Shares resolved at all general meetings and transferred to the employees of the Company and its Subsidiaries shall not exceed 5% of the total issued shares, and each employee may not subscribe for more than 0.5% of the total issued shares in aggregate.

The Company may prohibit such employees from transferring such Treasury Shares within a certain period; provided, however, that such a period cannot be more than two years.

3.17 Subject to Article 3.16 and the Applicable Public Company Rules, Treasury Shares may be disposed of (by cancellation or transfer) by the Company on such terms and conditions in accordance with the Applicable Law as determined by the Board.

4. Rights Attaching to Shares

Subject to Article 2.1, the Memorandum and the Articles, other contractual obligations or restrictions that the Company is bound by and any resolution of the Members to the contrary and without prejudice to any special rights conferred thereby on the holders of any other shares or class of shares, the share capital of the Company shall be divided into shares of a single class the holders of which shall, subject to the provisions of the Articles:

- (a) be entitled to one vote per share;
- (b) be entitled to such dividends as recommended by the Board and approved by the Members at general meeting;
- (c) in the event of a winding-up or dissolution of the Company, whether voluntary or involuntary or for the purpose of a reorganization or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company; and
- (d) generally be entitled to enjoy all of the rights attaching to shares.

5. Share Certificates

5.1 The Company may issue shares in uncertificated/scripless form or issue share certificates. Where share certificates are issued, every Member shall be entitled to a certificate issued under the Seal (or a facsimile thereof), which shall be affixed or imprinted with the authority of the Board, specifying the number and, where appropriate, the class of shares held by such Member. The Board may by resolution determine, either generally or in a particular case, that any or all signatures on certificates may be printed thereon or affixed by mechanical means. For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, shares of the Company shall be issued in uncertificated/scripless form unless the issuance of share certificates is required by the provisions of the Applicable Public Company Rules.

5.2 If any share certificate shall be proved to the satisfaction of the Board to have been worn out, lost, mislaid, or destroyed the Board may cause a new certificate to be issued and request an indemnity for the lost certificate if it sees fit.

5.3 Share may not be issued in bearer form.

5.4 When the Company shall issue share certificates pursuant to Article 5.1, the

Company shall deliver the share certificates to the subscribers within thirty days from the date such share certificates may be issued pursuant to the Law, the Memorandum, the Articles, and the Applicable Public Company Rules, and shall make a public announcement prior to the delivery of such share certificates pursuant to the Applicable Public Company Rules.

- 5.5** Where the Company shall issue the shares in uncertificated/scripless form, the Company shall comply with the Law and the Applicable Public Company Rules to handle relevant matters, and shall deliver the shares to the subscribers by book-entry transfer within thirty days after the Company is permitted by the Applicable Public Company Rules to issue such shares and make a public announcement prior to the delivery.

6. Preferred Shares

- 6.1** The Company may by Special Resolution designate one or more classes of shares with preferred or other special rights (shares with such preferred or other special rights, “**Preferred Shares**”), and may amend the Memorandum and the Articles as appropriate to reflect the designation of shares as Preferred Shares.

- 6.2** For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the rights and obligations of Preferred Shares may include (but not limited to) the following terms and shall be consistent with the Applicable Public Company Rules:

- (a) the order of priority and fixed amount or fixed ratio of allocation of dividends and bonus on Preferred Shares;
- (b) the order of priority and fixed amount or fixed ratio of allocation of surplus assets of the Company;
- (c) the order of priority for or restriction on the voting right(s) (including declaring no voting rights whatsoever) of the Members holding the Preferred Shares;
- (d) the method by which the Company is authorized or compelled to redeem the Preferred Shares, or a statement that redemption rights shall not apply; and
- (e) other matters concerning rights and obligations incidental to Preferred Shares.

REGISTRATION OF SHARES

7. Register of Members

- (a) For so long as shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Board shall cause to be kept a Register of Members which may be kept outside the Cayman Islands at such place as the Board shall appoint and which shall be maintained in accordance with the Law and the Applicable Public

Company Rules.

- (b) In the event that the Company has shares that are not traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Company shall also cause to be kept a register of such shares in accordance with Section 40 of the Law.

8. Registered Holder Absolute Owner

Except as required by law:

- (a) no person shall be recognized by the Company as holding any share on any trust; and
- (b) no person other than the Member shall be recognized by the Company as having any right in a share.

9. Transfer of Registered Shares

- 9.1** Title to shares traded on the ESM or listed on the TPEX or the TWSE in the ROC may be evidenced and transferred in a manner consistent with the Applicable Public Company Rules (including through the book-entry system of the TDCC).
- 9.2** All transfers of shares which are in certificated form may be effected by an instrument of transfer in writing in any usual form or in any other form which the Board may approve and shall be executed by or on behalf of the transferor and, if the Board so requires, by or on behalf of the transferee. Without prejudice to the foregoing, any Director is delegated with the power to resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers.
- 9.3** Unless otherwise resolved by the Board, any Director may approve the transfer of shares (including without limitation, delivery of an instruction letter accompanied with the instrument of transfer to the registered office provider of the Company on behalf of the Company) and any such action taken by any such Director shall be deemed to be valid duly authorized action of the Company in accordance with these Articles. Any Director be delegated with power and authorised to refuse to recognize any instrument of transfer in respect of shares in certificated form unless it is accompanied by the certificate in respect of the shares to which it relates and by such other evidence as such Director may reasonably require to show the right of the transferor to make the transfer.
- 9.4** The joint holders of any share may transfer such share to one or more of such joint holders, and the surviving holder or holders of any share previously held by them jointly with a deceased Member may transfer any such share to the executors or administrators of such deceased Member.
- 9.5** Any Director may in his or her absolute discretion and without assigning any reason therefor refuse to register the transfer of a share in certificated form in the event such registration of transfer would (i) conflict with the Applicable Law; or

(ii) conflict with the Memorandum and/or the Articles. If any such Director refuses to register a transfer of any share, the Secretary or any Director or officer shall, within three months after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal.

10. Transmission of Registered Shares

10.1 In the case of the death of a Member, the survivor or survivors where the deceased Member was a joint holder, and the legal personal representatives of the deceased Member where the deceased Member was a sole holder, shall be the only persons recognized by the Company as having any title to the deceased Member's interest in the shares. Nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such deceased Member with other persons. Subject to the provisions of Section 39 of the Law, for the purpose of this Article, legal personal representative means the executor or administrator of a deceased Member or such other person as the Board may, in its absolute discretion, decide as being properly authorized to deal with the shares of a deceased Member.

10.2 Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may be registered as a Member upon such evidence as the Board may deem sufficient or may elect to nominate some person to be registered as a transferee of such share.

10.3 On the presentation of the evidence as the Board may require to prove the title of the transferor, the transferee shall be registered as a Member. Notwithstanding the foregoing, the Board shall, in any case, have the same right to decline or suspend registration or refuse registration as stipulated in Article 9.5 as it would have had in the case of a transfer of the share by that Member before such Member's death or bankruptcy, as the case may be.

10.4 Where two or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to the said share or shares and the Company shall recognize no claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.

ORDINARY RESOLUTION, SPECIAL RESOLUTION AND SUPERMAJORITY RESOLUTION

11. Alteration of Capital

11.1 Subject to the Law, the Company may from time to time by Ordinary Resolution alter the conditions of its Memorandum to:

- (a) increase its share capital by new shares of such sum, to be divided into shares of such classes and amount, as the resolution shall prescribe;

- (b) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;
- (c) convert all or any of its paid up shares into stock and reconvert that stock into paid up shares of any denomination for the purpose of redenominating its share capital, provided that the Company shall not convert its stock into no-par value stock;
- (d) sub-divide its existing shares, or any of them into shares of a smaller amount provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in case of the share from which the reduced share is derived; or
- (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

11.2 The Board may settle as it considers expedient any difficulty which arises in relation to any consolidation and division under the last preceding Article and in particular but without prejudice to the generality of the foregoing may issue certificates in respect of fractions of shares or arrange for the sale of the shares representing fractions and the distribution of the new proceeds of sale (after deduction of the expenses of such sale) in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Board may authorize some person to transfer the shares representing fractions to their purchaser or resolve that such net proceeds be paid to the Company for the Company's benefit. Such purchaser will not be bound to see to the application of the purchase money nor will his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

12. Special Resolution and Supermajority Resolution

12.1 Subject to the Law and the Articles, the Company may from time to time by Special Resolution:

- (a) change its name;
- (b) alter or add to the Articles;
- (c) alter or add to the Memorandum with respect to any objects, powers or other matters specified therein;
- (d) reduce its share capital and any capital redemption reserve fund; or
- (e) effect a Merger under the Law.

12.2 Subject to the Law, the Company may, by Special Resolution, issue securities by way of Private Placement within the territory of the ROC in accordance with Applicable Public Company Rules; provided that, for issuance of corporate

bonds which do not involve the grant of a warrant, option, or right of conversion or otherwise grant the holders of the bonds the right to acquire equity or similar rights by way of Private Placement within the territory of the ROC, the Company may do so by resolution of the Board in different tranches within one year from the date of the resolution of the Board in accordance with Applicable Public Company Rules.

12.3 Subject to the Law and Article 12.4, the following actions by the Company shall require the approval of the Members by a Supermajority Resolution:

- (a) effecting any capitalization of distributable dividends and/or bonuses and/or any other amount prescribed under Article 17;
- (b) effecting any Merger (except for any Merger which falls within the definition of “merger” and/or “consolidation” under the Law, which requires the approval of the Company by Special Resolution only), Share Exchange, or Spin-off of the Company;
- (c) entering into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract;
- (d) the transferring of the whole or any essential part of the business or assets of the Company; or
- (e) acquiring or assuming the whole business or assets of another person, which has a material effect on the Company's operation.

12.4 Subject to the Law, the Company may be wound up voluntarily:

- (a) if the Company resolves by Ordinary Resolution that it be wound up voluntarily because the Company is unable to pay its debts as they fall due; or
- (b) if the Company resolves by Special Resolution that it be wound up voluntarily for reasons other than set out in Article 12.4(a) above.

12.5 Subject to the Applicable Law, the Company may distribute its Capital Reserve, in whole or in part, by issuing new shares which shall be distributed as bonus shares to its existing Members in proportion to the number of shares being held by each of them or by cash distribution to its Members.

13. Variation of Rights Attaching to Shares

If, at any time, the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound-up, be varied with the sanction of a Supermajority Resolution passed at a general meeting of the holders of the shares of the class. Notwithstanding the foregoing, if any modification or alteration in the Articles is prejudicial to the preferential rights of any class of shares, such modification or alteration shall be adopted by a Special Resolution passed at a

general meeting and shall also be adopted by a Supermajority Resolution passed at a separate meeting of Members of that class of shares. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith. To any such meeting all the provisions of the Articles relating to general meetings shall apply *mutatis mutandis*.

DIVIDENDS AND CAPITALISATION

14. Dividends

- 14.1** The Board may declare a dividend to be paid to the Members in proportion to the number of shares held by them, and such dividend may be paid in cash or shares.
- 14.2** Subject to the Applicable Law, no dividends or other distribution shall be paid except out of profits of the Company, realized or unrealized, out of share premium account or any reserve, fund or account as otherwise permitted by the Law. Except as otherwise provided by the rights attached to any shares, all dividends and other distributions shall be paid according to the number of the shares that a Member holds. If any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividends accordingly.
- 14.3** With respect to the dividend to be distributed at the end of each financial year, subject to the Law and this Article and except as otherwise provided by the rights attached to any shares, the Company may distribute profits after each financial year in accordance with a proposal for profit distribution approved by, in the case of dividend to be paid in cash, a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors and then reported to the Members in the next annual general meeting or, in the case of Article 12.3(a) or 12.5 (in the case of an issuance of new shares as bonus shares), a majority of the Directors at a meeting attended by a majority or more of the total number of the Directors and Supermajority Resolution in the general meeting.
- 14.4** For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, unless otherwise provided in the Law, the Applicable Public Company Rules or the Articles, upon the final settlement of the Company's accounts, if there is "surplus profit" (as defined below), the Company shall set aside no less than one percent as compensation to employees ("**Employees' Compensations**") and Employees' Compensations may be distributed to employees of the Company and its Subsidiaries, who meet certain qualifications determined by the Board. The proportion allocated to Employees of Entry Level shall not be less than 15% of the aforementioned Employees'

Compensations. The Company shall, from the surplus profit, set aside no more than three percent as remuneration for the Directors (excluding the Independent Directors) (“**Directors' Remuneration**”). The distribution proposals in respect of Employees' Compensation and Directors' Remuneration shall be approved by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors and submitted to the shareholders' meeting for report. However, if the Company has accumulated losses, the Company shall reserve an amount thereof for making up the losses before proceeding with the abovementioned distributions and allocation. The “surplus profit” referred to above means the net profit before tax and for the avoidance of doubt, such amount is before any payment of compensation to employees and remuneration for the Directors.

14.5 In determining the Company's dividend policy, the Board recognizes that the Company is in the growth stage. In determining the amount, if any, of the dividend or other distribution it recommends to Members for approval in any financial year, the Board:

- (a) may take into consideration the earnings of the Company, overall development, financial planning, capital needs, industry outlook and future prospects of the Company in the relevant financial year, so as to ensure the protection of Members' rights and interests; and
- (b) shall set aside out of the profits of the Company for each financial year in addition to the allocation in accordance with Article 14.4: (i) a reserve for payment of tax for the relevant financial year; (ii) an amount to offset losses incurred in previous years; (iii) ten percent as a general reserve (“**Statutory Reserve**”) (unless the Statutory Reserve has reached the total paid-up capital of the Company), and (iv) a special surplus reserve as required by the applicable securities authority under the Applicable Public Company Rules or a reserve as determined by the Board pursuant to Article 15.1.

14.6 For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, subject to compliance with the Law and after setting aside the amounts for Employees' Compensations and Directors' Remuneration in accordance with Article 14.4 and such amounts as the Board deems fit in accordance with the dividend policy set out in Article 14.5, the Board shall recommend to Members for approval to distribute no less than ten percent of the earnings generated from the immediately preceding financial year (exclusive of those accumulated from previous years) out of the distributable amount as dividend to the Members and the allocation will be made upon the passing of the resolution by the Members.

14.7 Dividends to the Members and the Employees' Compensation may be distributed, in the discretion of the Board, by way of cash or by way of applying

such sum in paying up in full unissued shares or a combination of both for allocation and distribution to employees or the Members, provided that, in the case of a distribution to Members, no less than ten percent of the total amount of such dividend shall be paid in cash.

14.8 The Board shall fix any date as the record date for determining the Members entitled to receive any dividend or other distribution.

14.9 For the purpose of determining Members entitled to receive payment of any dividend or other distributions, the Board may provide that the Register of Members be closed for transfers for five days before the relevant record date or such other period consistent with the Applicable Public Company Rules subject to compliance with the Law.

14.10 No unpaid dividend and compensation shall bear interest as against the Company.

15. Capital Reserve and Power to Set Aside Profits

15.1 The Board may, before declaring a dividend, set aside out of the surplus or profits of the Company, such sum as it thinks proper as a reserve to be used to meet contingencies or for meeting the deficiencies for implementing dividend distribution plans or for any other purpose to which those funds may be properly applied. Pending application, such sums may be in the absolute discretion of the Board either be employed in the business of the Company or invested in such investment as the Board may from time to time think fit, and need not be kept separate from other assets of the Company. The Board may also, without placing the same to reserve, carry forward any profit which it decides not to distribute.

15.2 Subject to any direction from the Company in general meeting, the Board may on behalf of the Company exercise all the powers and options conferred on the Company by the Law in regard to the Capital Reserve. Subject to compliance with the Law, the Board may on behalf of the Company set off accumulated losses against credits standing in the Capital Reserve and make distributions out of the Capital Reserve.

16. Method of Payment

16.1 Any dividend, interest, or other monies payable in cash in respect of the shares may be paid by wire transfer to the Member's designated account or by cheque or draft sent through the post directed to the Member at such Member's address in the Register of Members, or to such person and to such address as the holder may in writing direct.

16.2 In the case of joint holders of shares, any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or draft sent through the post directed to the address of the holder first named in the Register of

Members, or to such person and to such address as the holder may in writing direct. If two or more persons are registered as joint holders of any shares any one can give an effectual receipt for any dividend paid in respect of such shares.

- 16.3** For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the payment of any dividend shall comply with the Applicable Public Company Rules and the Law.

17. Capitalization

Subject to the Applicable Law (for so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC) and Article 12.3(a) and 12.5 (in the case of an issuance of new shares as bonus shares), the Board may capitalize any sum for the time being standing to the credit of the Capital Reserve or other reserve accounts or to the credit of the profit and loss account or otherwise available for distribution by applying such sum in paying up unissued shares to be allotted as fully paid bonus shares pro rata to the Members.

MEETINGS OF MEMBERS

18. Annual General Meetings

- 18.1** The Company shall hold a general meeting as its annual general meeting within six months following the end of each fiscal year, which shall be called by the Board.
- 18.2** Subject to Article 18.1, the annual general meeting of the Company may be held at such time and place as the Board shall determine. For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, unless otherwise provided by the Law, the Company's physical annual general meetings shall be held in the ROC. If the Board resolves to hold a physical annual general meeting outside the ROC, the Company shall apply for the approval of the TWSE/TPEX within two days after the Board adopts such resolution. Where an annual general meeting is to be held outside the ROC, the Company shall engage a professional stock affairs agent in the ROC to handle the administration of such general meeting (including but not limited to the handling of the voting of proxies submitted by Members).
- 18.3** The general meeting may be held by Virtual Meeting or any other means announced by the competent authority of the Company Act of the ROC. So long as the shares are traded on the ESM or listed on the TPEX or the TWSE in Taiwan, the conditions, operation procedures and other matters of the general meeting held by Virtual Meeting shall be in compliance with the Applicable Public Company Rules.
- 18.4** In case where any general meeting is held at which Communication Facilities are permitted in accordance with these Articles, including any Virtual Meeting, any Member who attend and participate by means of such Communication

Facilities in such a meeting shall be deemed to have attended and constitute presence in person.

19. Extraordinary General Meetings

- 19.1** General meetings other than annual general meetings shall be called extraordinary general meetings.
- 19.2** The Board may convene an extraordinary general meeting of the Company whenever in their judgment such a meeting is necessary or is desirable. Article 18.2 shall apply to extraordinary general meetings.
- 19.3** For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Board shall on a Member's requisition as defined in Article 19.4 forthwith proceed to convene an extraordinary general meeting of the Company.
- 19.4** A Member's requisition set forth in Article 19.3 is a requisition of one or more Members of the Company holding in the aggregate at the date of deposit of the requisition not less than three percent of the total number of issued shares of the Company which as at that date have been held by such Member(s) for at least one year.
- 19.5** The Member's requisition must state in writing the matters to be discussed at the extraordinary general meeting and the reason therefor.
- 19.6** If the Board does not within fifteen days from the date of the deposit of the Member's requisition dispatch the notice of an extraordinary general meeting, the requisitionists may themselves convene an extraordinary general meeting in the same manner, as nearly as possible, as that in which general meetings may be convened by the Board. If it is proposed that the extraordinary general meeting be held outside the ROC, an application shall be submitted by such requisitionists to the TWSE/TPEX for its prior approval.
- 19.7** For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, any one or more Member(s) may summon an extraordinary general meeting, provided that such Member or Members shall hold more than fifty percent of the total issued Shares of the Company for a continuous period of no less than three months. The number of the Shares held by a Member and the period during which a Member holds such Shares, shall be calculated and determined based on the Register of Members as of the first day of the Book Closure Period. The Book Closure Period has the meaning as defined in Article 20.3.

20. Notice

- 20.1** Before the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, at least five days' notice of a general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at

which the meeting is to be held and the general nature of business to be conducted at the meeting.

- 20.2** For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, at least thirty days' notice of an annual general meeting, and at least fifteen days' notice of an extraordinary general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held and the general nature of the business to be considered at the meeting. The notice may, as an alternative, be given by means of electronic transmission, after obtaining a prior written consent from the recipient(s) thereof.
- 20.3** For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Board shall fix a record date for determining the Members entitled to receive notice of and to vote at any general meeting of the Company in accordance with Applicable Public Company Rules and close its Register of Members accordingly in accordance with Applicable Public Company Rules. The Board shall fix the period that the Register of Members shall be closed for transfers (the “**Book Closure Period**”).
- 20.4** Subject to Article 23.4, the accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
- 20.5** For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Company shall announce to the public the notice of a general meeting, the proxy instrument, agendas and materials relating to the matters to be reported and discussed in the general meetings, including but not limited to, election or discharge of Directors, in accordance with Article 20.2, and shall transmit the same via the Market Observation Post System in accordance with Applicable Public Company Rules. If the voting power of a Member at a general meeting shall be exercised by way of a written ballot, the Company shall also send the written document for the Member to exercise his voting power together with the above mentioned materials in accordance with Article 20.2. The Board shall prepare a meeting handbook of the relevant general meeting and supplemental materials, which will be made available to all Members and shall be transmitted to the Market Observation Post System in accordance with the Applicable Public Company Rules. If the Company's total paid-in capital exceeds NT\$2 billion at the most recent financial year end date, or if the shareholding of foreign and PRC investors reaches more than thirty percent of the total number of issued shares as recorded in the Register of Members as of the date of the general meeting held in the most recent financial year, the foregoing transmission of information and materials via or to the Market Observation Post System shall be completed at least thirty days for an annual general meeting.

20.6 For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the following matters shall be stated in the notice of a general meeting, with a summary of the major content to be discussed, and shall not be proposed as an extemporary motion:

- (a) election or discharge of Directors,
- (b) alteration of the Memorandum or the Articles,
- (c) capital reduction,
- (d) application to terminate the public offering of the Shares,
- (e) (i) dissolution, Merger, Share Exchange or Spin-off, (ii) entering into, amending, or terminating any Lease Contract, Management Contract or Joint Operation Contract, (iii) transfer of the whole or any essential part of the business or assets of the Company, and (iv) acquisition or assumption of the whole of the business or assets of another person, which has a material effect on the operations of the Company,
- (f) ratification of an action by Director(s) who engage(s) in business for himself or on behalf of another person that is within the scope of the Company's business,
- (g) distribution of the whole or part of the surplus profit of the Company in the form of new shares, capitalization of Capital Reserve and any other amount in accordance with Article 17,
- (h) making distributions of new shares or cash out of the Statutory Reserve, the premium received on the issuance of any shares and income from endowments received by the Company to its Members, and
- (i) Private Placement of any equity-related securities to be issued by the Company.

The major content of the above matters can be announced on the website designated by Taiwan securities authority or by the Company, and the Company shall specify the link to the website in the notice of the relevant general meeting.

20.7 For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Board shall keep the Memorandum and the Articles, minutes of general meetings, financial statements, the Register of Members, and the counterfoil of any corporate bonds issued by the Company at the Registered Office (if applicable) and the Company's stock affairs agent located in the ROC. Members may request, from time to time, by submitting document(s) evidencing his interests involved and indicating the designated scope of the inspection, access to inspect, review or make copies of the foregoing documents. If the relevant documents are kept by the Company's stock affairs agent, upon the request of any Member, the Company shall order the Company's stock affairs agent to provide such Member with the requested documents.

- 20.8** For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Company shall make available all the statements and records prepared by the Board and the report prepared by the Audit Committee which will be submitted to the Members at the annual general meeting at the Registered Office (if applicable) and its stock affairs agent located in the ROC ten days prior to such annual general meeting in accordance with Applicable Public Company Rules. Members may inspect and review the foregoing documents from time to time and may be accompanied by their lawyers or certified public accountants for the purpose of such inspection and review.
- 20.9** If the general meeting is convened by the Board and other person entitled to convene a general meeting in accordance with these Articles or any Applicable Law, the Board and such person may request the Company or the Company's stock affairs agent to provide the Register of Members. Upon the request, the Company shall (and shall order the Company's stock affairs agent to) provide the Register of Members.

21. Giving Notice

- 21.1** Any Notice or document, whether or not to be given or issued under the Articles from the Company to a Member, shall be in writing either by delivering it to such Member in person or by sending it by letter mail or courier service to such Member at his registered address as appearing in the Register of Members or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address. For the purpose of this Article, a notice may be sent via electronic means if so agreed to by the Members in writing.
- 21.2** Any Notice or other document shall be deemed to be effective when it is sent in accordance with Articles 20 and 21 of the Articles.

Any Notice or document may be given to a Member either in the Chinese language or the English language, subject to due compliance with all Applicable Law, rules and regulations.

This Article shall apply *mutatis mutandis* to the service of any document by a Member on the Company under the Articles.

22. Postponement of General Meeting

The Board may postpone any general meeting called in accordance with the provisions of the Articles provided that notice of postponement is given to each Member before the time for such meeting. A notice stating the date, time and place for the postponed meeting shall be given to each Member in accordance with the provisions of the Articles provided that in the event that the Members resolve to postpone the general meeting to a specified date which is not more than five days, Articles 20.1, 20.2, 20.3, 20.4, 20.5 and 21 do not apply and notice of the adjournment shall not be required.

23 Quorum and Proceedings at General Meetings

- 23.1** No resolutions shall be adopted unless a quorum is present. Unless otherwise provided for in the Articles, Members present in person or by proxy or in the case of a corporate Member, by corporate representative, representing more than one-half of the total issued shares of the Company entitled to vote, shall constitute a quorum for any general meeting.
- 23.2** For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Board shall submit business reports, financial statements and proposals for distribution of profits or allocation of losses prepared by it for the purposes of annual general meetings of the Company for ratification by the Members in a manner consistent with the Applicable Public Company Rules. After ratification by the Members at the general meeting, the Board shall distribute copies of or announce to the public the ratified financial statements and the Company's resolutions on distribution of profits or allocation of losses, to each Member or otherwise make the same available to the Members in accordance with the Applicable Public Company Rules.
- 23.3** Unless otherwise provided in the Articles, a resolution put to the vote of the meeting shall be decided on a poll.
- 23.4** For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, if and to the extent permitted under the Law, nothing in the Articles shall prevent any Member from initiating proceedings in a court of competent jurisdiction for an appropriate remedy in connection with the convening of any general meeting or the passage of any resolution in violation of applicable laws or regulations or the Articles, including but not limited to filing a lawsuit for revocation of the resolutions of the general meeting within thirty days after passing of such resolution. The Taiwan Taipei District Court may be the court of the first instance for adjudicating any disputes arising out of the foregoing.
- 23.5** Unless otherwise expressly required by the Law, the Memorandum or the Articles, any matter which has been presented for resolution, approval, confirmation or adoption by the Members at any general meeting may be passed by an Ordinary Resolution.
- 23.6** For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, Member(s) holding one percent or more of the Company's total issued shares immediately prior to the relevant Book Closure Period, during which the Company closed its Register of Members, may propose to the Company in writing or any electronic means designated by the Company one matter for discussion at an annual general meeting. The Company shall give a public notice in such manner and at such time as permitted by Applicable Law specifying the place and a period of not less than ten days for Members to

submit proposals. The Board shall include the proposal in the agenda of the annual general meeting unless (a) the proposing Member(s) holds less than one percent of the Company's total issued shares, (b) the matter of such proposal may not be resolved by a general meeting or the proposal exceeds 300 Chinese words; (c) the proposing Member(s) has proposed more than one proposal; or (d) the proposal is submitted to the Company outside the period fixed and announced by the Company for accepting Member(s)' proposal(s). If the purpose of the proposal is to urge the Company to promote public interests or fulfil its social responsibilities, the Board may accept such proposal to be discussed in general meeting.

23.7 The rules and procedures of general meetings shall be established by the Board and approved by an Ordinary Resolution, and such rules and procedures shall be in accordance with the Law, the Articles and the Applicable Public Company Rules.

24. Chairman to Preside

24.1 In the event that the general meeting is convened by the Board, the Chairman shall act as chairman at all meetings of the Members at which such person is present. In his absence the Directors who are present at the general meeting shall elect one from among themselves to act as the chairman at such meeting in lieu of the Chairman.

24.2 For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the chairman at all meetings of the Members shall be appointed or elected in accordance with the Applicable Public Company Rules.

25. Voting on Resolutions

25.1 Subject to any rights, privileges or restrictions attached to any share, every Member who (being an individual) is present in person or by proxy or (in the case of a corporation or other non-natural person) by duly authorized corporate representative(s) or by proxy shall have one vote for every share of which he is the holder. A Member who holds shares for benefit of others, need not use all his votes or cast all the votes he holds in the same way as he uses his votes in respect of shares he holds for himself. The qualifications, scope, methods of exercise, operating procedures and other matters with respect to exercising voting power separately shall comply with the Applicable Public Company Rules.

25.2 No person shall be entitled to vote at any general meeting or at any separate meeting of the holders of a class of shares unless he is registered as a Member on the record date for such meeting nor unless he has paid all the calls on all shares held by such Member.

25.3 Votes may be cast either in person or by proxy. A Member may appoint another person as his proxy by specifying the scope of appointment in the proxy

instrument prepared by the Company to attend and vote at a general meeting, provided that a Member may appoint only one proxy under one instrument to attend and vote at such meeting.

- 25.4** Subject to the Law, for so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Company shall provide the Members with a method for exercising their voting power by way of electronic transmission. The method for exercising such voting power shall be described in the general meeting notice to be given to the Members if the voting power may be exercised by way of a written ballot or electronic transmission. Any Member who intends to exercise his voting power by way of a written ballot or by way of electronic transmission shall serve the Company with his voting decision at least two days prior to the date of such general meeting. Where more than one voting decision are received from the same Member by the Company, the first voting decision shall prevail, unless an explicit written statement is made by the relevant Member to revoke the previous voting decision in the later-received voting decision. A Member who exercises his voting power at a general meeting by way of a written ballot or by electronic transmission shall be deemed to have appointed the chairman of the general meeting as his proxy to vote his shares at the general meeting only in the manner directed by his written instrument or electronic document. The chairman of the general meeting as proxy shall not have the power to exercise the voting rights of such Members with respect to any matters not referred to or indicated in the written or electronic document and/or any amendment to resolution(s) proposed at the said general meeting. For the purpose of clarification, such Members voting in such manner shall be deemed to have waived their voting rights with respect to any extemporary matters or amendment to resolution(s) proposed at the general meeting.
- 25.5** In the event any Member who intended to exercise his voting power by way of a written ballot or electronic transmission and has served his voting decision on the Company pursuant to Article 25.4 later intends to attend the general meetings in person, he shall, at least two days prior to the date of such general meeting, serve the Company with a separate notice revoking his previous voting decision. Such separate notice shall be sent to the Company in the same manner (e.g., by courier, registered mail or electronic transmission, as applicable) as the previous voting decision under Article 25.4 was given to the Company. Votes by way of a written ballot or electronic transmission shall remain valid if the relevant Member fails to revoke his voting decision before the prescribed time.
- 25.6** A Member who has served the Company with his voting decision in accordance with Article 25.4 for the purpose of exercising his voting power by way of a written ballot or by way of electronic transmission may appoint a person as his proxy to attend the meeting in accordance with the Articles, in which case the

vote cast by such proxy shall be deemed to have revoked his previous voting decision served on the Company and the Company shall only count the vote(s) cast by such expressly appointed proxy at the meeting.

26. Proxies

- 26.1** The instrument of proxy shall be in the form approved by the Board from time to time and be expressed to be for a particular meeting only. The form of proxy shall include at least the following information: (a) instructions on how to complete such proxy, (b) the matters to be voted upon pursuant to such proxy, and (c) basic identification information relating to the relevant Member, proxy and the solicitor (if any). The form of proxy shall be provided to the Members together with the relevant notice for the relevant general meeting, and such notice and proxy materials shall be distributed to all Members on the same day.
- 26.2** An instrument of proxy shall be in writing, be executed under the hand of the appointor in writing, or, if the appointor is a corporation or other non-natural person, under the hand of an officer or attorney who is duly authorized for that purpose. A proxy need not be a Member of the Company.
- 26.3** For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, subject to the Applicable Public Company Rules, except for an ROC trust enterprise or stock affair agents approved pursuant to Applicable Public Company Rules, save with respect to the Chairman being deemed appointed as proxy under Article 25.4, in the event a person acts as the proxy for two or more Members, the total number of issued and voting shares entitled to be voted as represented by such proxy shall be no more than three percent of the total number of issued and voting shares of the Company immediately prior to the relevant Book Closure Period, during which the Company close its Register of Member; any vote in respect of the portion in excess of such three percent threshold shall not be counted.
- 26.4** In the event that a Member exercises his voting power by way of a written ballot or electronic transmission and has also authorized a proxy to attend a general meeting, then the voting power exercised by the proxy at the general meeting shall prevail. In the event that any Member who has authorized a proxy to attend a general meeting later intends to attend the general meeting in person or to exercise his voting power by way of a written ballot or electronic transmission, he shall, at least two days prior to the date of such general meeting, serve the Company with a separate notice revoking his previous appointment of the proxy. Votes by way of proxy shall remain valid if the relevant Member fails to revoke his appointment of such proxy before the prescribed time.
- 26.5** The instrument of proxy shall be deposited at the Registered Office or the office of the Company's stock affairs agent in the ROC or at such other place as is

specified for that purpose in the notice convening the meeting, or in any instrument of proxy sent out by the Company not less than five days before the time for holding the meeting or adjourned meeting at which a person named in the instrument proposes to vote, save with respect to the Chairman being deemed appointed as proxy under Article 25.4. Where more than one instrument to vote are received from the same Member by the Company, the first instrument received shall prevail, unless an explicit written statement is made by the relevant Member to revoke the previous proxy in the later-received instrument.

27. Proxy Solicitation

For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the use and solicitation of proxies shall be in compliance with the Applicable Public Company Rules, including but not limited to “Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.”

28. Dissenting Member's Appraisal Right

28.1 Subject to compliance with the Law, in the event any of the following resolutions is passed at general meetings, any Member who has abstained from voting or voted against in respect of such matter and expressed his dissent therefor, in writing or verbally (with a record) before or during the meeting, may request the Company to purchase all of his shares at the then prevailing fair price:

- (a) the Company proposes to enter into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract;
- (b) the Company transfers the whole or an essential part of its business or assets, provided that, the foregoing does not apply where such transfer is pursuant to the dissolution of the Company;
- (c) the Company acquires or assumes the whole business or assets of another person, which has a material effect on the operation of the Company;
- (d) the Company proposes to undertake a Spin-off, Merger, Acquisition or Share Exchange; or
- (e) the Company generally assumes all the assets and liabilities of another person or generally assigns all its assets and liabilities to another person.

Shares which have been abstained from voting in accordance with this Article 28.1 shall not be counted in determining the number of votes of the Members being cast a general meeting but shall be counted towards the quorum of the general meeting.

28.2 Without prejudice to the Law, any Member exercising his rights in accordance with Article 28.1 (the “**Dissenting Member**”) shall, within twenty days from the date of the resolution passed at the general meeting, give his written notice of

objection to the Company stating the repurchase price proposed by him. If the Company and the Dissenting Member agree on a price at which the Company will purchase the Dissenting Member's shares, the Company shall make the payment within ninety days from the date of the resolution passed at the general meeting. If, within ninety days from the date of the resolution passed at the general meeting, the Company and the Dissenting Member fail to agree on a price at which the Company will purchase the Dissenting Member's shares, the Company shall pay the fair price it deems fit to the Dissenting Member within ninety days from the date of the resolution passed at the general meeting. If the Company fails to pay the fair price it deems fit to the Dissenting Member within the ninety-day period, the Company shall be deemed to have agreed on the repurchase price proposed by such Dissenting Member.

28.3 Without prejudice to the Law, if, within sixty days from the date of the resolution passed at the general meeting, the Company and the Dissenting Member fail to agree on a price at which the Company will purchase such Dissenting Member's shares, then, within thirty days immediately following the date of the expiry of such sixty-day period, the Company shall file a petition with the court against all the Dissenting Members for a determination of the fair price of the Shares held by all the Dissenting Members. The Taiwan Taipei District Court may be the court of the first instance for this matter.

28.4 Notwithstanding the above provisions under this Article 28, nothing under this Article shall restrict or prohibit a Member from exercising his right under section 238 of the Law to claim for the payment of the fair value of his shares upon dissenting from a merger or consolidation.

29. Shares that May Not be Voted

29.1 Shares held:

- (a) by the Company itself;
- (b) by any entity in which the Company owns, legally or beneficially, more than fifty percent of its total issued and voting share or share capital; or
- (c) by any entity in which the Company, together with (i) the holding company of the Company and/or (ii) any Subsidiary of (a) the holding company of the Company or (b) the Company owns, legally or beneficially, directly or indirectly, more than fifty percent of its issued and voting share or share capital;

shall not carry any voting rights nor be counted in the total number of issued shares at any given time but only for so long as the circumstances as set out in sub-paragraphs (a) to (c) (as applicable) above continue.

29.2 A Member who has a personal interest in any motion discussed at a general meeting, which interest may be in conflict with and impair those of the

Company, shall abstain from voting such Member's shares in regard to such motion and such shares shall not be counted in determining the number of votes of the Members present at the said meeting. However, such shares may be counted in determining the number of shares of the Members present at such general meeting for the purposes of determining the quorum. The aforementioned Member shall also not vote on behalf of any other Member.

29.3 For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, if the number of shares pledged by a Director at any time amounts to more than fifty percent of the total shares held by such Director at the time of his latest appointment, such pledged shares exceeding fifty percent of the total shares held by such Director at the time of his latest appointment, up to fifty percent of the total number of shares held by the Director at the time of his latest appointment, shall not carry any voting rights and such above-threshold shares shall not be counted in determining the number of votes of the Members present at a general meeting.

30. Voting by Joint Holders of Shares

In the case of joint holders, the joint holders should appoint among themselves one person to exercise the rights of a Member pursuant to the Applicable Public Company Rules. In case no agreement is reached among the joint holders, the vote of the senior who tenders a vote (whether in person or by proxy) shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

31. Representation of Corporate Member

31.1 A corporation or non-natural person which is a Member may, by written instrument, authorize such person or persons as it thinks fit to act as its representative at any meeting of the Members and any person so authorized shall be entitled to exercise the same powers on behalf of the corporation or such non-natural person which such person represents as that corporation or non-natural person could exercise if it were an individual Member, and that Member shall be deemed to be present in person at any such meeting attended by its authorized representative or representatives.

31.2 Notwithstanding the foregoing, the chairman of the meeting may accept such assurances as he thinks fit as to the right of any person to attend and vote at general meetings on behalf of a corporation or non-natural person which is a Member.

32. Adjournment of General Meeting

The chairman of a general meeting may, with the consent of a majority in number of the Members present at any general meeting at which a quorum is present, and shall if so directed, adjourn the meeting. Unless the meeting is adjourned to a specific date, place and time announced at the meeting being adjourned, or if the meeting is

adjourned for more than five days, a notice stating the date, place and time for the resumption of the adjourned meeting shall be given to each Member entitled to attend and vote thereat in accordance with the provisions of the Articles.

33. Directors Attendance at General Meetings

The Directors of the Company shall be entitled to receive notice of, attend and be heard at any general meeting.

DIRECTORS AND OFFICERS

34. Number and Term of Office of Directors

34.1 There shall be a Board consisting of no less than five and no more than thirteen persons. As required under the Applicable Public Company Rules, more than half of the Directors of the Company shall be domiciled in the ROC. The term of office for each Director shall not exceed a period of three years provided that in the event the expiration of the term of office of such Directors would otherwise leave the Company with no Directors, the term of office of such Directors shall be extended automatically to the date of the general meeting next following the expiration of such term, at which new Directors will be elected to assume office. Directors may be eligible for re-election. The Company may from time to time by Special Resolution increase or reduce the number of Directors, subject to the foregoing and the Applicable Law.

34.2 For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, unless otherwise approved by the ROC competent authority, the number of Directors having a spousal relationship or Familial Relationship within Second Degree of Kinship with any other Directors shall be less than half of the total number of Directors.

34.3 In the event that the Company convenes a general meeting for the election of Directors and any of the Directors elected does not meet the requirements provided in Article 34.2, the non-qualifying Director(s) who was elected with the fewest number of votes shall be deemed not to have been elected, to the extent necessary to meet the requirements provided for in Article 34.2. Any person who has already served as a Director but is in violation of the aforementioned requirements shall be automatically discharged from his office effective from such violation without any action required on behalf of the Company.

34.4 For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, unless otherwise permitted under the Applicable Public Company Rules, there shall be at least three Independent Directors accounting for not less than one-fifth of the total number of Directors. To the extent required by the Applicable Public Company Rules, at least two of the Independent Directors shall be domiciled in the ROC and at least one of them shall have accounting or financial expertise. Before the shares are listed on the

TPEX or the TWSE in the ROC, the Board may resolve that the Company shall hold an election of Independent Director(s) at the general meeting.

34.5 For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Directors (including Independent Directors and Directors other than Independent Directors) shall be nominated by adopting the candidate nomination system specified in the Applicable Public Company Rules.

34.6 Independent Directors shall have professional knowledge and shall maintain independence within the scope of their directorial duties, and shall not have any direct or indirect interests in the Company. The professional qualifications, restrictions on shareholdings and concurrent positions, and assessment of independence with respect to Independent Directors shall be consistent with the Applicable Public Company Rules.

35. Election of Directors

35.1 The Company may at a general meeting elect any person to be a Director, which vote shall be calculated in accordance with Article 35.2. Members present in person or by proxy, representing more than one-half of the total issued shares shall constitute a quorum for any general meeting to elect one or more Directors.

35.2 The Director(s) shall be elected by Members upon a poll vote by way of cumulative voting (the manner of voting described in this Article to be referred to as “**Cumulative Voting**”) in the following manner:

- (a) on an election of Directors, the numbers of votes attached to each voting share held by a Member shall be cumulative and correspond to the number of Directors (including the Independent Directors and non-independent Directors) nominated for appointment at the general meeting;
- (b) the Member(s) may vote all or part of their cumulated votes in respect of one or more Director or non-independent Director candidates;
- (c) such number of Director candidates receiving the highest number of votes in the same category (namely, independent or non-independent) of Directors to be elected shall be appointed; and
- (d) where two or more Director candidates in the same category receive the same number of votes and as a result the total number of new Directors in such category intended to be appointed is exceeded, there shall be a draw by such Director candidates receiving the same number of votes to determine who shall be appointed; the chairman of the meeting shall draw for a Director nominated for appointment who is not present at the general meeting.

35.3 For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, if the number of Independent Directors is less than three persons due to the resignation or removal of such Independent Directors for any

reason, the Company shall hold an election of Independent Directors at the next following general meeting. If all of the Independent Directors are resigned or removed, the Board shall hold, within sixty days from the date of resignation or removal of last Independent Director, a general meeting to elect succeeding Independent Directors to fill the vacancies.

35.4 For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, if the number of Directors is less than five persons due to the vacancy of Director(s) for any reason, the Company shall call an election of Director(s) at the next following general meeting to fill the vacancies. When the number of vacancies in the Board of the Company equals to one third of the total number of Directors elected, the Board shall hold, within sixty days from the date of the occurrence of vacancies, a general meeting to elect succeeding Directors to fill the vacancies.

35.5 Where a government agency or corporation (or other legal entity) is a Member, and such government agency or corporation (or other legal entity) has been elected as a Director, it shall appoint an individual as its duly authorized representative to exercise the power and duties of a Director. Such representative may be replaced at any time and from time to time by the said government agency or corporation (or other legal entity) at its sole discretion.

35.6 Notwithstanding anything to the contrary, where a government agency or corporation (or other legal entity) is a Member, such government agency or corporation (or other legal entity) (each of which being referred to in these Articles as an "Appointer") is entitled to appoint one or more individual representatives to be elected as Directors (for the purpose of these Articles, the "Appointee Directors") in accordance with this Article 35.

The Appointer may, by prior written notice to the Company, remove the Appointee Directors nominated by it and appoint another individual as an Appointee Director for the remaining term of office. The provisions of the preceding sentence in the second section of Article 35.6 will not apply if the Appointee Director is removed by a Supermajority Resolution pursuant to Article 36.1.

36. Removal of Directors

36.1 The Company may from time to time by Supermajority Resolution remove any Director from office, whether or not appointing another in his stead. Where re-election of all Directors is effected prior to the expiration of the term of office of existing Directors, the term of office of all current Directors is deemed to have expired on the date of the re-election or any other date as otherwise resolved by the Members at the general meeting if the Members do not resolve that all current Directors will only retire at the expiration of their present term of office. Members present in person or by proxy, representing more than

one-half of the total issued shares shall constitute a quorum for any general meeting to re-elect all Directors. If the term of office of all Directors expires at the same time and no general meeting was held before such expiry for re-election, their term of office shall continue and be extended to such time when new Directors are elected or re-elected in the next general meeting and they commence their office.

36.2 For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, in case a Director has, in the course of performing his duties, committed any act resulting in material damages to the Company or is in serious violation of applicable laws, regulations and/or the Articles, but has not been removed by a Supermajority Resolution, the Member(s) holding three percent or more of the total number of issued shares of the Company may, within thirty days after such general meeting, to the extent permissible under Applicable Law, institute a lawsuit to remove such Director. The Taiwan Taipei District Court may be the court of the first instance of for this matter.

37. Vacation of Office of Director

37.1 The office of Director shall be vacated:

- (a) if the Director is removed from office pursuant to Article 36.1;
- (b) if the Director dies;
- (c) if the Director is automatically discharged from his office in accordance with Article 34.3;
- (d) if the Director resigns his office by notice in writing to the Company;
- (e) if the Director is the subject of a court order for his removal in accordance with Article 36.2; or
- (f) with immediate effect without any action required on behalf of the Company if
 - (i) the Director has been adjudicated bankrupt or the court has declared a liquidation process in connection with the Director, and such Director has not been reinstated to his rights and privileges;
 - (ii) an order is made by any competent court or official on the grounds that the Director has no legal capacity, or his legal capacity is restricted according to Applicable Law;
 - (iii) the Director has been adjudicated of the commencement of assistantship (as defined under the Taiwan Civil Code) or similar declaration and such assistantship/declaration has not been revoked yet;
 - (iv) the Director has committed an offence as specified in the ROC Statute for Prevention of Organizational Crimes and subsequently

has been adjudicated guilty by a final judgment, and (A) has not started serving the sentence, (B) has not completed serving the sentence, (C) the time elapsed after completion of serving the sentence or expiration of the probation is less than five years, or (D) was pardoned for less than five years;

- (v) the Director has committed an offence in terms of fraud, breach of trust or misappropriation and subsequently has been punished with imprisonment for a term of more than one year by a final judgement, and (A) has not started serving the sentence, (B) has not completed serving the sentence, (C) the time elapsed after completion of serving the sentence or expiration of the probation is less than two years, or (D) was pardoned for less than two years;
- (vi) the Director has been adjudicated guilty by a final judgment for committing offenses under the Taiwan Anti-Corruption Act, and (A) has not started serving the sentence, (B) has not completed serving the sentence, (C) the time elapsed after completion of serving the sentence or expiration of the probation is less than two years, or (D) was pardoned for less than two years; or
- (vii) the Director has been dishonored for use of credit instruments, and the term of such sanction has not expired yet.

In the event that any of the foregoing events specified in Article 37.1(f) has occurred in relation to a candidate for election of Director, such person shall be disqualified from being elected as a Director.

37.2 For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, in case a Director (other than an Independent Director) has, during the term of office as a Director, transferred more than one half of the Company's shares being held by him at the time he was elected, he shall, ipso facto, be removed automatically from the office of Director with immediate effect and in such case no approval from the Members shall be required.

37.3 For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the election of a newly elected Director (other than an Independent Director) shall be forthwith invalidated if said Director, before assuming office, transferred more than one half of the shares being held by him at the time of his election as a Director, or if said Director, during the Book Closure Period prior to a general meeting, has transferred more than one half of the shares being held by him.

38. Compensation of Directors

38.1 For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Board shall, in accordance with the Applicable Public Company Rules, establish a Compensation Committee comprised of at least

three members, one of whom shall be an Independent Director. The professional qualifications of the members of the Compensation Committee, the responsibilities, powers and other related matters of the Compensation Committee shall comply with the Applicable Public Company Rules. Upon the establishment of the Compensation Committee, the Board shall, by a resolution, adopt a charter for the Compensation Committee the provisions of which shall be consistent with the Applicable Public Company Rules. Before the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Board may resolve to establish a Compensation Committee.

38.2 The compensation referred in the preceding Article shall include the compensation, stock option and other incentive payments of Directors and managers of the Company.

38.3 The compensation of the Directors may be decided by the Board by reference to recommendation made by the Compensation Committee (if established), the standard generally adopted by other enterprises in the same industry, and shall be paid in cash only. The Directors may also be paid all travel, hotel and other expenses properly incurred by them in attending and returning from the meetings of the Board, any committee appointed by the Board, general meetings of the Company, or in connection with the business of the Company or their duties as Directors generally. A Director is also entitled to distribution of profits of the Company if permitted by the Law, the Applicable Public Company Rules, the service agreement or other similar contract that he has entered into with the Company.

39. Defect in Election of Director

Subject to Article 23.4 and the Applicable Law, all acts done in good faith by the Board or by a committee of the Board or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the election of any Director, or that they or any of them were disqualified, be as valid as if every such person had been duly elected and was qualified to be a Director.

40. Directors to Manage Business

The business of the Company shall be managed and conducted by the Board. In managing the business of the Company, the Board may exercise all such powers of the Company as are not, by the Law or by the Articles, required to be exercised by the Company in general meeting subject, nevertheless, to the Articles, the provisions of the Law, and to such directions as may be prescribed by the Company in general meeting.

41. Powers of the Board of Directors

Without limiting the generality of Article 40 and subject to the Applicable Law, the Board may:

(a) appoint, suspend, or remove any manager, secretary, clerk, agent or employee of

- the Company and may fix their compensation and determine their duties;
- (b) exercise all the powers of the Company to borrow money and to mortgage or charge or otherwise grant a security interest in its undertaking, property and uncalled capital, or any part thereof, and may issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or any third party;
 - (c) appoint one or more Directors to the office of managing director or chief executive officer of the Company, who shall, subject to the control of the Board, supervise and administer all of the general business and affairs of the Company;
 - (d) appoint a person to act as manager of the Company's day-to-day business and may entrust to and confer upon such manager such powers and duties as it deems appropriate for the transaction or conduct of such business;
 - (e) by power of attorney, appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Board, to be an attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) and for such period and subject to such conditions as it may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorize any such attorney to sub-delegate all or any of the powers, authorities and discretions so vested in the attorney. Such attorney may, if so authorized, execute any deed or instrument in any manner permitted by the Law;
 - (f) procure that the Company pays all expenses incurred in promoting and incorporating the Company;
 - (g) delegate any of its powers (including the power to sub-delegate) to a committee of one or more persons appointed by the Board and every such committee shall conform to such directions as the Board shall impose on them. Subject to any directions or regulations made by the Directors for this purpose, the meetings and proceedings of any such committee shall be governed by the provisions of the Articles regulating the meetings and proceedings of the Board;
 - (h) delegate any of its powers (including the power to sub-delegate) to any person on such terms and in such manner as the Board sees fit;
 - (i) present any petition and make any application in connection with the liquidation or reorganization of the Company;
 - (j) in connection with the issue of any share, pay such commission and brokerage as may be permitted by law; and
 - (k) authorize any company, firm, person or body of persons to act on behalf of the Company for any specific purpose and in connection therewith to execute any agreement, document or instrument on behalf of the Company.

42. Register of Directors and Officers

42.1 The Board shall cause to be kept in one or more books at the Registered Office a Register of Directors and Officers in accordance with the Law and shall enter therein the following particulars with respect to each Director and Officer:

- (a) first name and surname; and
- (b) address.

42.2 The Board shall, within the period of thirty days from the occurrence of:

- (a) any change among its Directors and Officers; or
- (b) any change in the particulars contained in the Register of Directors and Officers,

cause to be entered on the Register of Directors and Officers the particulars of such change and the date on which such change occurred, and shall notify the Registrar of Companies in accordance with the Law.

43. Officers

The Officers shall consist of a Secretary and such additional Officers as the Board may determine all of whom shall be deemed to be Officers for the purposes of the Articles.

44. Appointment of Officers

The Secretary (and additional Officers, if any) shall be appointed by the Board from time to time.

45. Duties of Officers

The Officers shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Board from time to time.

46. Compensation of Officers

The Officers shall receive such compensation as the Board may determine.

47. Conflicts of Interest

47.1 Any Director, or any Director's firm, partner or any company with whom any Director is associated, may act in any capacity for, be employed by or render services to the Company and such Director or such Director's firm, partner or company shall be entitled to compensation as if such Director were not a Director; provided that this Article 47.1 shall not apply to Independent Directors.

47.2 Notwithstanding anything to the contrary contained in this Article 47, a Director who is directly or indirectly interested in any matter under discussion at a meeting of the Directors or a contract or proposed contract or arrangement with the Company shall declare the nature and the essential contents of such interest

at the relevant meeting of the Directors as required by the Applicable Law. If the Company proposes to enter into any transaction specified in Article 28.1 or effect other forms of mergers and acquisitions in accordance with Applicable Law, a Director who has a personal interest in such transaction shall declare the essential contents of such personal interest and the reason why he believes that the transaction is advisable or not advisable at the relevant meeting of the Directors and the general meeting as required by the Applicable Law. The Company shall, in the notice of a general meeting, disclose the essential contents of such Director's personal interest and the reasons why such Director believes that the transaction is advisable or not advisable. The essential contents and the reasons can be announced at the website designated by Taiwan securities authority or by the Company, and the Company shall specify the link to the website in the notice of the relevant general meeting. Where the spouse, the person related to a Director by blood and within the second degree, or any company which has a controlling or controlled relation with a Director has interests in the matters under discussion in the meeting of the Directors, such Director shall be deemed to have a personal interest in the matter. The terms "controlling" and "controlled" shall be interpreted in accordance with the Applicable Public Company Rules.

47.3 Notwithstanding anything to the contrary contained in this Article 47, a Director who has a personal interest in the matter under discussion at a meeting of the Directors, which may conflict with and impair the interest of the Company, shall not vote nor exercise voting rights on behalf of another Director; the voting right of such Director who cannot vote or exercise any voting right as prescribed above shall not be counted in the number of votes of Directors present at the Board meeting.

47.4 Notwithstanding anything to the contrary contained in this Article 47, a Director who is engaged in anything on his own account or on behalf of another person, which is within the scope of the Company's business, shall explain to the Members in a general meeting the essential contents of such conduct and seek their approval by Supermajority Resolution.

48. Indemnification and Exculpation of Directors and Officers

48.1 The Directors and Officers of the Company and any trustee for the time being acting in relation to any of the affairs of the Company and every former director, officer or trustee and their respective heirs, executors, administrators, and personal representatives (each of which persons being referred to in this Article as an "indemnified party") shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts,

and no indemnified party shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud, dishonesty or breach of duties provided under Article 48.4 which may attach to any of the said persons.

- 48.2** The Company may purchase and maintain insurance for the benefit of any Director or Officer of the Company against any liability incurred by him in his capacity as a Director or Officer of the Company or indemnifying such Director or Officer in respect of any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which the Director or Officer may be guilty in relation to the Company or any Subsidiary thereof.
- 48.3** To the extent permitted under the laws of the Cayman Islands, Members continuously holding one percent or more of the total issued shares of the Company for six months or longer may request in writing the Audit Committee to resolve any Independent Director or Independent Directors, acting singly or collectively, to file a petition with the Taiwan Taipei District Court for and on behalf of the Company against any of the Directors. If within thirty days after the written request by the Member(s), the Audit Committee fails to make the resolution, or after the relevant resolution was passed by the Audit Committee, the relevant Independent Director(s) fail(s) to file such petition, such Member(s) may, to the extent permitted under the laws of the Cayman Islands, file a petition with the Taiwan Taipei District Court for and on behalf of the Company against the relevant Directors.
- 48.4** Without prejudice and subject to the general directors' duties that a Director owe to the Company and the Members under common law principals and the laws of the Cayman Islands, a Director shall perform his fiduciary duties of loyalty and due care of a good administrator, and shall indemnify the Company, to the maximum extent legally permissible, from any loss incurred or suffered by the Company arising from breach of his fiduciary duties. If a Director has made any profit for the benefit of himself or any third party as a result of any breach of his fiduciary duties, the Company shall, if so resolved by the Members by way of an Ordinary Resolution, take all such actions and steps as may be appropriate and to the maximum extent legally permissible to seek to recover such profit from such relevant Director. If a Director has violated any laws or regulations that causes the Company to become liable for any compensation or

damages to any person, such Director shall become jointly and severally liable for such compensation or damages with the Company and if any reason such Director is not made jointly and severally liable with the Company, such Director shall indemnify the Company for any loss incurred or suffered by the Company caused by a breach of duties by such Director. The Officers, in the course of performing their duties to the Company, shall assume such duties and obligations to indemnify the Company in the same manner as if they are Directors.

MEETINGS OF THE BOARD OF DIRECTORS

49. Board Meetings

- 49.1** Board meetings shall be convened by the Chairman, and the Board may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit.
- 49.2** The Company shall hold regular meetings of the Board at least on a quarterly basis and for so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, such meetings shall be held in compliance with the Applicable Public Company Rules.
- 49.3** Unless otherwise provided in the Articles, A resolution shall be passed by a majority vote of the Directors present at the meeting and entitled to vote on such resolution, and in the case of equality of votes the resolution shall fail. For these purposes, where Directors present and entitled to vote at the meeting do not cast a vote at the meeting, such Directors will be deemed to vote against the resolution.
- 49.4** A Director may be represented at any meetings of the Board by a proxy appointed by him in writing with the authorised scope specified. The proxy shall count towards the quorum and the vote of the proxy shall for all purposes be deemed to be that of the appointing Director.
- 49.5** The instrument appointing a proxy shall be in writing in such form as the Board may approve and may at any time be revoked in like manner, and notice of every such appointment or revocation in like manner.
- 49.6** A proxy must be a Director and can only act on behalf of one appointing Director at a meeting of the Board.

50. Notice of Board Meetings

- 50.1** The Chairman may, and the Secretary on the requisition of the Chairman shall, at any time summon a meeting of the Board.
- 50.2** Before the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, at least forty-eight hours prior notice shall be given for any meeting of the Board provided that in the case of urgent circumstances as agreed by a majority of the Directors, a meeting of the Board may be convened on short

notice, or be held any time after notice has been given to every Director or be convened without prior notice if all Directors agree. For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, to convene a meeting of the Board, a notice setting forth therein the matters to be considered and if appropriate, approved at the meeting shall be given to each Director no later than seven days prior to the scheduled meeting date. However, in the case of emergency as agreed by a majority of the Directors, the meeting may be convened with a shorter notice period in a manner consistent with the Applicable Public Company Rules. For the purpose of this Article, a notice may be sent via electronic means if so agreed to by the Directors.

51. Participation in Meetings by Video Conference

Directors may participate in any meeting of the Board by means of video conference or other communication facilities, as permitted by the Applicable Law, where all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

52. Quorum at Board Meetings

The quorum for a meeting of the Board shall be more than one-half of the total number of the Directors.

53. Board to Continue in the Event of Vacancy

The Board may act notwithstanding any vacancy in its number.

54. Chairman to Preside

The Chairman, if there be one, shall act as chairman at all meetings of the Board at which such person is present. In his absence a chairman shall be appointed or elected in accordance with the Applicable Public Company Rules.

55. Validity of Prior Acts of the Board

No regulation or alteration to the Articles made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation or alteration had not been made.

CORPORATE RECORDS

56. Minutes

The Board shall cause minutes to be duly entered in books provided for the purpose:

- (a) of all elections and appointments of Officers;
- (b) of the names of the Directors present at each meeting of the Board and of any committee appointed by the Board; and
- (c) of all resolutions and proceedings of general meetings of the Members, meetings of the Board, meetings of managers and meetings of committees appointed by

the Board.

57. Register of Mortgages and Charges

57.1 The Directors shall cause to be kept the Register of Mortgages and Charges required by the Law.

57.2 The Register of Mortgages and Charges shall be open to inspection by Members and creditors in accordance with the Law, at the Registered Office on every business day in the Cayman Islands, subject to such reasonable restrictions as the Board may impose, so that not less than two hours in each such business day be allowed for inspection.

58. Form and Use of Seal

58.1 The Seal shall only be used by the authority of the Directors or of a committee of the Directors authorized by the Directors in that behalf; and, until otherwise determined by the Directors, the Seal shall be affixed in the presence of a Director or the Secretary or an assistant secretary or some other person authorized for this purpose by the Directors or the committee of Directors.

58.2 Notwithstanding the foregoing, the Seal may without further authority be affixed by way of authentication to any document required to be filed with the Registrar of Companies in the Cayman Islands, and may be so affixed by any Director, Secretary or assistant secretary of the Company or any other person or institution having authority to file the document as aforesaid.

58.3 The Company may have one or more duplicate Seals, as permitted by the Law; and, if the Board thinks fit, a duplicate Seal may bear on its face of the name of the country, territory, district or place where it is to be issued.

TENDER OFFER AND ACCOUNTS

59. Tender Offer

For so long as the shares are traded on the ESM or listed on the TPEx or the TWSE in the ROC, any public announcement in connection with any tender offer of the Company's shares shall be in compliance with the Applicable Public Company Rules, including but not limited to "Regulations Governing Public Tender Offers for Securities of Public Companies."

60. Books of Account

60.1 The Board shall cause to be kept proper records of account with respect to all transactions of the Company and in particular with respect to:

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure relates;
- (b) all sales and purchases of goods by the Company; and
- (c) all assets and liabilities of the Company.

Such books of account shall be kept for at least five years from the date they are prepared.

60.2 Such records of account shall be kept and proper books of account shall not be deemed to be kept with respect to the matters aforesaid if there are not kept, at such place as the Board thinks fit, such books as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.

60.3 The instruments of proxy, documents, forms/statements and information in electronic media prepared in accordance with the Articles and relevant rules and regulations shall be kept for at least one year. However, if a Member institutes a lawsuit with respect to such instruments of proxy, documents, forms/statements and/or information mentioned herein, they shall be kept until the conclusion of the litigation if longer than one year.

61. Financial Year End

Unless the Directors otherwise specify, the financial year of the Company:

- (a) shall end on 31st December in the year of its incorporation and each following year; and
- (b) shall begin when it was incorporated and on 1st January each following year.

AUDIT COMMITTEE

62. Number of Audit Committee Members

For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Board shall set up an Audit Committee. The Audit Committee shall comprise solely of Independent Directors and all Independent Directors shall be members of the Audit Committee. The number of Audit Committee members shall not be less than three. One of the Audit Committee members shall be appointed as the convener to convene meetings of the Audit Committee from time to time and at least one of the Audit Committee members shall have accounting or financial expertise. A valid resolution of the Audit Committee requires approval of one-half or more of all its members. Before the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Board may resolve to establish an Audit Committee.

63. Powers of Audit Committee

63.1 The Audit Committee (if established) shall have the responsibilities and powers as specified under the Applicable Public Company Rules. Any of the following matters of the Company shall require the consent of one-half or more of all Audit Committee members and be submitted to the Board for resolution:

- (a) adoption of or amendment to an internal control system;
- (b) assessment of the effectiveness of the internal control system;
- (c) adoption of or amendment to the handling procedures for financial or

operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others;

- (d) any matter relating to the personal interest of the Directors;
- (e) a material asset or derivatives transaction;
- (f) a material monetary loan, endorsement, or provision of guarantee;
- (g) the offering, issuance, or Private Placement of any equity-related securities;
- (h) the hiring or dismissal of an attesting certified public accountant, or the compensation given thereto;
- (i) the appointment or discharge of a financial, accounting, or internal auditing officer;
- (j) approval of annual and semi-annual/second quarter financial reports (if applicable under the Applicable Public Company Rules); and
- (k) any other matter so determined by the Company from time to time or required by any competent authority overseeing the Company.

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

63.2 Subject to the Applicable Law and to the extent permitted under the laws of the Cayman Islands, the Independent Directors of the Audit Committee shall supervise the execution of business operations of the Company, and may at any time or from time to time investigate the business and financial conditions of the Company, examine, transcribe or make copies of the accounting books and documents, and request the Board or Officers to report on matters referred to above. Subject to the Applicable Law and to the extent permitted under the laws of the Cayman Islands, the Audit Committee or any Independent Director thereof when exercising their duties according to this Article may appoint on behalf of the Company, a practicing lawyer and independent auditors to conduct the examination.

63.3 The Audit Committee shall audit the various financial statements and records prepared by the Board for submission to the general meeting, and shall report their findings and opinions at such meeting.

63.4 Subject to compliance with the Law, before the meeting of Directors resolves any matter specified in Article 28.1 or other mergers and acquisitions in accordance with the Applicable Law, the Audit Committee shall review the

fairness and reasonableness of the relevant merger and acquisition plan and transaction, and report its review results to the meeting of Directors and the general meeting; provided, however, that such review results need not be submitted to the general meeting if the approval of the Members is not required under the Applicable Law. When the Audit Committee conducts the review, it shall engage an independent expert to issue an opinion on the fairness of the share exchange ratio, cash consideration or other assets to be offered to the Members. The review results of the Audit Committee and the fairness opinion issued by the independent expert shall be distributed to the Members, along with the notice of the general meeting; provided, however, that the Company can only report matters relating to such merger and acquisition at the next following general meeting if the approval of the Members is not required under the Applicable Law. Such review results and fairness opinion shall be deemed to have been distributed to the Members if the same have been uploaded onto the website designated by the FSC and made available to the Members for their inspection and review at the venue of the general meeting.

VOLUNTARY DISSOLUTION AND WINDING-UP

64. Voluntary Dissolution and Winding-Up

64.1 The Company may be voluntarily wound-up in accordance with Article 12.4.

64.2 If the Company shall be wound up the liquidator may, with the sanction of a Special Resolution, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members subject to the Applicable Law. The liquidator may, with the like sanction, vest the whole or any part of such assets in the trustees upon such trusts for the benefit of the Members as the liquidator shall think fit, but so that no Member shall be compelled to accept any shares or other securities or assets whereon there is any liability.

CHANGES TO CONSTITUTION

65. Changes to Articles

Subject to the Law and to the conditions contained in the Memorandum, the Company may, by Special Resolution, alter or add to the Articles.

LITIGIOUS AND NON-LITIGIOUS AGENT

66. Appointment of Litigious and Non-Litigious Agent

For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the Company shall appoint a Litigious and Non-Litigious Agent pursuant to the Applicable Law to act as the Company's responsible person in the ROC under the

Securities and Exchange Law of the ROC to handle matters stipulated in the Securities and Exchange Law of the ROC and the relevant rules and regulations thereto. The Litigious and Non-Litigious Agent shall be an individual who has a residence or domicile in the ROC.

OTHERS

67. Shareholder Protection Mechanism

If the Company proposes to undertake:

- (a) a merger or consolidation which will result in the Company being dissolved;
- (b) a sale, transfer or assignment of all of the Company's assets and businesses to another entity;
- (c) a Share Exchange; or
- (d) a Spin-off,

which would result in the termination of the Company's listing on the TPEX or the TWSE, and where (in the case of (a) above) the surviving entity, (in the case of (b) above) the transferee, (in the case of (c) above) the entity whose shares has been allotted in exchange for the Company's shares and, (in the case of (d) above) the existing or newly incorporated spun-off company's shares are not listed on the TPEX or the TWSE, then in addition to any requirements to be satisfied under the Law, such action shall be first approved at a general meeting by a resolution passed by members holding two-thirds or more of the votes of the total number of issued shares of the Company.

68. ROC Securities Laws and Regulations

For so long as the shares are traded on the ESM or listed on the TPEX or the TWSE in the ROC, the qualifications, composition, appointment, removal, exercise of functions and other matters with respect to the Directors, Independent Directors, Compensation Committee and Audit Committee which are required to be followed by the Company shall comply with the applicable ROC securities laws and regulations.

69. Corporate Social Responsibilities

When the Company conducts the business, the Company shall comply with the laws and regulations as well as business ethics and may take actions which will promote public interests in order to fulfill its social responsibilities.

Appendix 3: Regulations Governing Loaning of Funds to Others (Before Amendment)

HanchorBio Inc.

Regulations: “Regulations Governing Loaning of Funds to Others”	Document Number: HM-001-03
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Version No.	Date of establishment/ amendment	Summary of revisions	Approved
01	November 06, 2020	First issuance	LIU SHI-KAU
02	February 27, 2021	Amended to reflect current conditions	LIU SHI-KAU
03	June 12, 2024	Amendment to Article 10: Time Limit and Contents of Regulatory Filing and Announcement	LIU SHI-KAU

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Article 1: Purpose

When the Company needs to lend funds to others to meet operational needs, the procedures for these lending operations shall be carried out in accordance with the Procedures. Any matters not covered by these Procedures shall be handled in accordance with the relevant laws and regulations.

Article 2: Legal basis

The Procedures are formulated in accordance with the provisions of relevant laws and regulations.

Article 3: Recipients of loans

The recipients to which the Company may loan funds are limited to the following:

- I. Any company engaging in business transaction with the Company;
- II. Any companies within the Group with short-term financing need.

The term “short term” used herein means a period of one year or one operating cycle (whichever is longer).

Article 4: Reasons and necessity of loaning to others

- I. Where companies within the Company's group engage in fund lending due to business relationship, the provisions of Paragraph 1, Article 5 shall apply.
- II. Where short-term financing is needed by intra-group companies, the reasons for and conditions of extending loans shall be limited to the following circumstances:
 - (I) Where the investee in which the Company holds 20% or more of the shares needs the short-term financing in order to satisfy its business needs.
 - (II) Where any intra-group companies need the short-term financing in order to satisfy the needs for purchase of materials or working capital.
 - (III) Any ones to receive the funds loaned by the Company upon approval of the Company's Board of Directors.

Article 5: Aggregate amount of loans and individual maximum amount permitted to a single borrower

The aggregate amount of loans to others shall not exceed 40% of the Company's net worth, and can be divided into the following two situations:

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- I. Where funds are lent to intra-group companies engaging in business transactions with the Company, the aggregate amount of loans shall not exceed 20% of the Company’s net worth. The individual maximum amount shall not exceed the amount of business transactions between both parties in the most recent year. The amount of business transactions herein refers to the higher of the purchase or sales amount between both parties.
- II. Where funds are lent to intra-group companies with short-term financing need, the aggregate amount of loans shall not exceed 20% of the Company’s net worth. The individual maximum amount shall not exceed 10% of the Company's net worth.

For loans between foreign companies in which the Company directly and indirectly holds 100% of the voting shares, this restriction does not apply, and the aggregate amount of loans shall not exceed 1000% of the Company's net worth.

Article 6: Financing term and calculation of interest

- I. The period of each loan shall not exceed one year or one operating cycle (whichever is longer) from the date of disbursement, provided that the Board of Directors may approve an extension of one year or one operating cycle (whichever is longer).
- II. The interest on the loans shall accrue on a daily basis based on the sum of outstanding loan balance (i.e., the total accumulated amount) multiplying by the annual interest rate and then dividing by 365. The annual interest rate shall be no lower than the minimum interest rate for short-term loans of financial institutions.
- III. Loan interest shall be collected on a monthly basis in principle. However, adjustments may be made with the approval of the Board of Directors to accommodate special circumstances and actual needs.

Article 7: Execution and review procedures:

- I. Application Procedures
 - (I) The borrower shall provide basic information and financial data, complete the application form with details on the purpose of funds, loan period and amount, and then submit it to the Company’s finance and accounting unit.

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- (II) If the Company engages in the loaning of funds due to business relationships, the finance and accounting personnel of the Company shall assess whether the amount of the loan corresponds to the amount of business transactions. If it does so due to the short-term financing need, the Company shall list the reasons and circumstances for the loaning, conduct a credit investigation, and submit the relevant information and proposed loaning terms to the head of the finance and accounting unit and the President, and then submit the same to the Board of Directors for a resolution.
- (III) Any loaning of funds between the Company and intra-group companies shall be subject to resolution by the Board of Directors, and the Chairman of the Board may be authorized to disburse funds or provide revolving credit to the same borrower within a certain limit and for a period of no more than one year as determined by the resolution of the Board. The authorized limit of loaning of fund by a subsidiary of the Company to a single enterprise shall not exceed 10% of the Company's net worth in the most recent financial statements.
- (IV) Where the Company has appointed independent directors, it shall take into full consideration each independent director's opinions, and independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the Board of Directors' meeting, when loaning funds to others.

II. Credit Investigation

- (I) For first-time borrowers, the borrower shall provide basic information and financial data to facilitate the credit investigation.
- (II) In the case of a continuing loan, a credit investigation is generally conducted again at the time of renewal. In the case of a material or emergency event, it may be conducted at any time as needed.
- (III) If the borrower's financial position is considered good and a financing certification has been obtained from a certified public accountant for the annual financial statements, the investigation report that is less than one year

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old may be reused together with the accountant’s audit report for that period as a reference for the loan.

(IV) When the Company conducts a credit investigation against a borrower, it shall also evaluate the impact posed by the loaning of funds on the Company’s operational risk, financial position and shareholders’ equity.

III. Loan Approval and Notification

(I) If the Board of Directors resolves not to approve the loan transaction after a credit investigation and evaluation, the case handler shall promptly reply to the borrower with the reasons for the rejection.

(II) After the credit investigation and evaluation, if the Board of Directors approves the loan, the case handler shall promptly notify the borrower in writing of the Company’s loan terms and conditions, including the amount, term, interest rate, collateral, and guarantor, if any, and request the borrower to execute the contract within specific time limit.

IV. Contract Signing and Verification

(I) The case handler of a loan transaction shall draft the contractual clauses and submit them to the legal counsel for review after examination by their supervisor before signing the contract.

(II) The contents of the promissory note shall be consistent with the approved loan terms and conditions. After the borrower and the joint and several guarantor sign the promissory note, the case handler shall complete the identity verification.

V. Evaluation of value of collateral and creation of rights

The borrower shall provide collateral and complete the creation of pledge or mortgage, and the Company shall also evaluate the value of the collateral to ensure its claims.

VI. Insurance

(I) Except for land and securities, fire insurance and related insurance programs shall be maintained for all collaterals. The insured value shall be no lower than the collateral pledge value. The insurance policy shall indicate that the Company is the beneficiary. The name, quantity and storage location of the

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insured item, as well as the insurance terms and insurance endorsement on the policy, shall be consistent with the loan terms and conditions approved by the Company initially.

- (II) The case handler shall remind the borrower to renew his insurance coverage before the insurance period expires.

VII. Disbursement of funds

Once the loan terms are approved and the borrower has signed the contract, after the collateral pledge/mortgage registration is completed and all procedures have been verified, the loan may be disbursed.

VIII. Repayment

After a loan has been disbursed, the case handler shall closely monitor the financial, business, and credit status of the borrower and the guarantor. If collateral is provided, the case handler shall also monitor any changes in the collateral value. One month before the loan matures, the case handler shall notify the borrower to repay the principal plus interest at maturity.

- (I) When repaying a loan upon maturity, the borrower shall first calculate the interest payable and repay it together with the principal before the promissory note, loan slip, or other debt repayment certificate can be canceled and returned to the borrower.
- (II) When a borrower applies for a cancellation of a mortgage, it is necessary to first verify whether a loan balance exists before deciding whether to approve the cancellation.

Article 8: Subsequent control measures for disbursed loans and procedures for handling overdue debts

I. Extension

If necessary, the borrower shall apply for an extension of one year or one operating cycle (whichever is longer) before the loan transaction matures, subject to approval by the Board of Directors.

II. Registration and safekeeping of cases

- (I) The Company shall prepare a memorandum book for the loaning of fund and truthfully record the information about recipient of loans, amount, date

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of approval by the Board of Directors, date of loaning of the fund, and matters to be carefully evaluated as required in accordance with the Procedures.

- (II) The loan transaction case handler shall organize debt certificates such as promissory notes and contracts, collateral documents, insurance policies, and correspondence documents after disbursement of funds, place them in a bag holding goods under custody, indicate the contents of the goods under custody and the customer’s name on the bag, and submit them to the head of the finance and accounting management division for inspection. After inspection, the bag shall be sealed, and both parties shall enter their signatures or seals into the register of goods under custody for safekeeping.
- (III) The Company’s internal auditors shall audit the Procedures for Loaning of Funds to Others and their implementation status at least quarterly and keep written records. If material violations are found, they shall immediately notify the Audit Committee in writing.
- (IV) If a change in circumstances results in the borrower’s failure to comply with the Regulations or causes the loan amount to exceed the limit, the internal audit unit shall urge the finance and accounting management division to set a deadline for recovering the excess funds and submit the corrective action plan to the Audit Committee for review, and complete the improvement according to the planned schedule.
- (V) The case handler shall prepare a statement of funds loaned to other companies for the previous month before the 5th day of each month and submit it to their supervisors for review.
- (VI) Assess the loaning of funds and set aside an adequate allowance for doubtful accounts, and properly disclose the relevant information in the financial statements.

Article 9: Control procedures for subsidiaries’ loaning of funds to others

- I. If a subsidiary of the Company intends to loan funds to others, it shall also establish its own procedures and follow them; however, the net worth shall be calculated based on the subsidiary’s net worth.

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- II. The subsidiary shall prepare a statement of funds loaned to other companies for the previous month before the 10th day of each month and submit it to the Company for review.

Article 10: Time Limit and Contents of Regulatory Filing and Announcement (after the IPO)

- I. The Company shall announce and report the outstanding balance of loans made by the Company and its subsidiaries for the previous month by the 10th day of each month.
- II. If the outstanding balance of loans made by the Company reaches any of the following criteria, it shall announce and report the matter within two days from the date of occurrence:
 - (I) The total balance of funds loaned to others by the Company and its subsidiaries reaches 20% or more of the net worth in the latest financial statement of the Company.
 - (II) The outstanding balance of funds loaned by the Company and its subsidiaries to a single enterprise reaches 10% or more of the net worth in the latest financial statement of the Company.
 - (III) The amount of new funds loaned by the Company or its subsidiaries reaches NT\$10 million or more, and exceeds 2% of the net worth in the latest financial statement of the Company.
- III. Information required to be publicly announced and reported in accordance with the subparagraph 3 of the preceding paragraph by the Company's subsidiary that is not itself a public company in Taiwan shall be reported by the Company.
- IV. The ratio of the outstanding balance of loans from the subsidiaries referred to in the preceding paragraph to their net worth shall be calculated based on the ratio of the outstanding balance of loans from each subsidiary to the Company's net worth.

Article 11: Penalties

If the managers and organizers of the Company violate the Procedures, they will be reported for evaluation under the Company's personnel management regulations and disciplined subject to the severity of the offense.

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Article 12: Implementation and Amendment

- I. The Procedures shall be implemented after approval by the Board of Directors and submission to the Audit Committee. If a director expresses a dissenting opinion and there is a record or written statement, the Company shall submit the objection to the Audit Committee for discussion, and the same applies to amendments.
- II. Where the Company has appointed independent directors, when it submits the Procedures for discussion by the Board of directors pursuant to the preceding paragraph, it shall take into full consideration each independent director's opinions, and independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the Board of Directors' meeting.

Appendix 4: Regulations Governing Endorsements/Guarantees (before amendment)

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Regulations: “Regulations Governing Endorsements/Guarantees”	Document Number: HM-002-04
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Version No.	Date of establishment/ amendment	Summary of revisions	Approved
01	November 06, 2020	First issuance	LIU SHI-KAU
02	February 27, 2021	Amended to reflect current conditions	LIU SHI-KAU
03	June 12, 2024	Amendment to Article 9 Time Limit and Contents of Regulatory Filing and Announcement	LIU SHI-KAU
04	August 14, 2025	Amendments to Article 4: Limit on Endorsements and Guarantees and Article 12 Implementation and Amendment	LIU SHI-KAU

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Article 1: Purpose

The Company has established the Procedures to provide a consistent basis for handling matters relating to endorsements/guarantees, improve financial management and mitigate operational risk. Any matters not covered by these Procedures shall be handled in accordance with the relevant laws and regulations.

Article 2: Scope of Application

The endorsements/guarantees referred to herein include:

- (I) Financing endorsements/guarantees: Endorsements/guarantees made for bill discount financing and to meet the financing needs of another company, or issuance of a separate negotiable instrument to a non-financial enterprise as security to meet the financing needs of the Company itself.
- (II) Customs duty endorsement/guarantee: An endorsement or guarantee for the Company itself or another company with respect to customs duty matters.
- (III) Other endorsements/guarantees: Endorsements or guarantees beyond the scope of the above two paragraphs.
- (IV) Any creation by the Company of a pledge or mortgage on its chattel or real property as security for the loans of another company shall also comply with these Procedures.

Article 3: Endorsed/guaranteed parties

- (I) Any company engaging in business transaction with the Company;
- (II) A company that directly and indirectly holds more than 50% of the voting shares in the Company;
- (III) A company that directly or indirectly holds more than 50% of the Company’s voting shares.
- (IV) Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares may make endorsements/guarantees for each other, provided that before making the endorsements/guarantees, they shall be reported to the Company’s Board of Directors for resolution and the amount of endorsements/guarantees may not exceed 10% of the Company’s net worth. provided that this restriction shall not apply to endorsements/guarantees made between companies in which the Company holds, directly or indirectly, 100% of

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the voting shares.

Article 4: Limit on Endorsements and Guarantees

- (I) The Company’s total endorsements and guarantees for a company in which it directly and indirectly holds more than 50% of the voting shares shall be no more than five times its net worth, and for a single enterprise, no more than three times its net worth.
- (II) The total amount of endorsements/guarantees provided by the Company and its subsidiaries shall be no more than five times the Company’s net worth, and the amount of endorsements/guarantees to any single enterprise shall be no more than three times the Company’s net worth.
- (III) The total amount of endorsements/guarantees provided due to business relationship shall be no more than the total transaction amount with the Company in the most recent year (the higher of the purchase or sales amount between both parties).

The total amount of endorsements and guarantees between companies in which the Company directly and indirectly holds 100% of the voting shares shall be no more than US\$5 million, and the limit of endorsements and guarantees for a single enterprise shall be no more than US\$5 million.

The net worth is determined based on the most recent financial statements audited or reviewed by a certified public accountant.

Article 5: Decision-making and level of authority

- (I) Endorsements and guarantees made by the Company shall be subject to prior approval per resolution by the Board of Directors. However, to meet the need for timeliness, the Board of Directors may authorize the Chairman to make a decision within specific total limit, and then report the same to the next Board meeting for ratification.
- (II) Where the Company has appointed independent directors, when it provides endorsements/guarantees for others, it shall take into full consideration each independent director's opinions, and independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the Board of Directors' meeting.

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Article 6: Procedures for Making Endorsements and Guarantees

- (I) When the Company provides endorsements/guarantees, the endorsed/guaranteed company shall submit a letter of application to the responsible unit of the Company. The responsible unit shall conduct a credit investigation against the endorsed/guaranteed company, evaluate its risk level and make a record of the evaluation. After review and approval, the application shall be processed in accordance with Article 5, and collateral shall be obtained if necessary.
- (II) The responsible unit’s evaluation on the endorsed/guaranteed party shall include the following:
1. The necessity and the reasonableness of the loan or the endorsement or guarantee.
 2. Whether the cumulative amount of endorsements and guarantees still falls within the limit.
 3. If the endorsements/guarantees are provided due to business transactions, it is necessary to evaluate whether the endorsement/guarantee amount and transaction amount still fall within the limit.
 4. Impact posed by the loaning of funds on the Company’s operational risk, financial position and shareholders’ equity
 5. Whether collateral shall be obtained, and the appraised value of collateral.
 6. The credit investigation and risk assessment records for the endorsement or guarantee shall be attached.
- (III) The responsible unit shall prepare a memorandum book for the endorsements/guarantees and truthfully record the information about counterpart of endorsement/guarantee, amount, date of approval by the Board of Directors or decision by the Chairman of Board, date of the endorsement/guarantee, matters that should have been carefully evaluated in accordance with these regulations, contents and assessed value of collateral, and the conditions and date of release from endorsement and guarantee liability.
- (IV) When the endorsed/guaranteed company makes repayment, it shall inform the Company of the repayment details so that the Company may be exempted from the guarantee liability, and the repayment shall also be recorded in the

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“memorandum book for the endorsements/guarantees.”

- (V) The responsible unit shall assess or recognize contingent losses from endorsements and guarantees and disclose endorsement and guarantee information appropriately in the financial statements, and provide the certified public accountant with relevant information for the accountant to perform necessary audit procedures and issue an appropriate audit report.

Article 7: Procedures for the use and custody of official seals

- (I) The dedicated seal for endorsements and guarantees is the Company’s official seal registered with the Ministry of Economic Affairs. The seals shall be kept under the custody of the dedicated personnel approved by the Board of Directors, and the same applies to any changes thereto. When endorsements and guarantees are provided, the procedure for affixing the seal or issuing bills/notes shall follow the regulations required by the Company.
- (II) When the Company provides endorsements/guarantees to foreign companies, the letter of guarantee issued by the Company shall be signed by the person authorized by the Board of Directors.

Article 8: Instructions to making of endorsements/guarantees

- (I) The Company’s internal auditors shall audit the Procedures for Making Endorsements/Guarantees and their implementation status at least quarterly and keep written records. If material violations are found, they shall immediately notify the Audit Committee in writing.
- (II) If a change in circumstances causes the endorsed/guaranteed party to no longer comply with Article 3 of the Procedures subsequently, or if the endorsement or guarantee amount exceeds the limit set forth in Article 4 of the Procedures due to a change in the basis for calculating the limit, the endorsement or guarantee amount for that party, or the excess amount, shall be eliminated in full either upon the expiration of the period specified in the contract or within a specified time limit as part of a corrective action plan. The relevant corrective action plan shall be submitted to the Audit Committee and reported to the Board of Directors, and improvement shall be completed according to the planned schedule.

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- (III) If it is necessary for the Company to make endorsements/guarantees exceeding the limit set forth in the Procedures for Making Endorsements/Guarantees due to business needs and meets the conditions set forth in the Procedures for Making Endorsements/Guarantees, the same shall be subject to approval of the Board of Directors and joint and several guarantees provided by a majority of the directors against the losses potentially caused to the Company due to the excess, and the Procedures for Making Endorsements/Guarantees shall be amended accordingly.
- (IV) When the Company or subsidiaries provide endorsements/guarantees for any subsidiaries with net worth less than half of their paid-in capital, the requirements referred to in the preceding paragraph shall apply, and the Company’s internal auditors shall also audit the Procedures for Making Endorsements/Guarantees and their implementation status at least quarterly and keep written records. If material violations are found, they shall immediately notify the Audit Committee in writing.
- (V) Where the Company has appointed independent directors, during the discussion by the Board of directors referred to in the preceding paragraph, it shall take into full consideration each independent director's opinions, and independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the Board of Directors' meeting.

Article 9: Time Limit and Contents of Regulatory Filing and Announcement (after the IPO)

- (I) The Company shall enter the balance of endorsements/guarantees of the Company and its subsidiaries for the previous month into the MOPS before the 10th day of each month.
- (II) If the outstanding balance of endorsements/guarantees made by the Company reaches any of the following criteria, it shall announce and report the matter within two days from the date of occurrence:
 1. The total balance of endorsements/guarantees provided by the Company and its subsidiaries reaches 50% or more of the net worth in the latest financial statement of the Company.
 2. The outstanding balance of endorsements/guarantees provided by the Company and its subsidiaries to a single enterprise reaches 20% or more of

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the net worth in the latest financial statement of the Company.

3. The outstanding balance of endorsements/guarantees provided by the Company and its subsidiaries to a single enterprise reaches NT\$10 million or more and the total of the outstanding balances of endorsements/guarantees, long-term investment and loans made for the single enterprise reaches 30% or more of the net worth in the latest financial statement of the Company.
4. The amount of new endorsements/guarantees provided by the Company or its subsidiaries reaches NT\$30 million or more, and exceeds 5% of the net worth in the latest financial statement of the Company.

(III) Information required to be entered and disclosed at the MOPS in accordance with the subparagraph 4 of the preceding paragraph by the Company's subsidiary that is not itself a public company in Taiwan shall be entered and disclosed by the Company at the MOPS. The ratio of the outstanding balance of endorsements/guarantees provided by the subsidiaries referred to in the preceding paragraph to their net worth shall be calculated based on the ratio of the outstanding balance of endorsements/guarantees provided by each subsidiary to the Company's net worth.

(IV) The Company shall assess or recognize contingent losses from endorsements and guarantees and disclose the related information appropriately in the financial statements, and provide the certified public accountant with relevant information for the accountant to perform necessary audit procedures.

Article 10: Control procedures for subsidiaries' making of endorsements/guarantees

- (I) If a subsidiary of the Company intends to provide endorsements/guarantees for others, it shall also establish its own procedures and follow them; however, the net worth shall be calculated based on the subsidiary's net worth.
- (II) The subsidiary shall prepare a statement of endorsements/guarantees for others for the previous month before the 10th day of each month (exclusive) and submit it to the Company for review.
- (III) When the Company's internal auditors conduct an audit on any subsidiary according to the annual audit plan, they shall also understand the implementation

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of the subsidiary’s operating procedure for endorsements/guarantees. If they find any deficiencies, they shall continue to follow up the improvement thereof and a follow-up report should be prepared and submitted to the president.

Article 11: Penalties

If the managers and organizers of the Company violate the Procedures, they will be reported for evaluation under the Company’s personnel regulations and disciplined subject to the severity of the offense.

Article 12: Implementation and Amendment

The Procedures shall be subject to approval by the Audit Committee, submitted to the Board of Directors for resolution, and reported to a shareholders’ meeting for approval. The same shall apply where the Procedures are amended.

When the Procedures are submitted to the Board of Directors for discussion, the Board shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board meeting.

Appendix 5: Regulations Governing Acquisition or Disposal of Assets (before amendment)

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Version No.	Date of establishment/ amendment	Summary of revisions	Approved
01	November 06, 2020	First issuance	LIU SHI-KAU
02	February 27, 2021	Amended to reflect current conditions	LIU SHI-KAU
03	June 12, 2024	Amended to reflect current conditions and Article 14. Time Limit and Contents of Regulatory Filing and Announcement	LIU SHI-KAU

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Article 1: Purpose

The Regulations are established to standardize the procedures for acquisition or disposal of assets.

Article 2: Legal basis

The Regulations are established in accordance with the relevant provisions of applicable laws and regulations.

Article 3: Scope of Assets

The scope of assets referred to herein is stated as follows:

- I. Investments in stocks, government bonds, corporate bonds, bank debentures, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficiary securities and asset-backed securities.
- II. Real property (including land, houses and buildings, investment property, right of use of land and construction enterprise inventory) and equipment.
- III. Membership certificate.
- IV. Intangible assets such as patents, copyrights, trademarks, and franchise rights.
- V. Right-of-use assets.
- VI. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
- VII. Derivatives.
- VIII. Assets acquired or disposed of through merger, demerger, acquisition, or share transfer in accordance with law.
- IX. Other important assets

Article 4: Definitions

- I. Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, swap contracts, and hybrid products of above contracts, whose value is derived from assets, interest rate, foreign exchange rate, index or other benefits.
The forward contracts referred to above do not include insurance contracts, performance contracts, after-sales service contracts, long-term lease contracts, and long-term purchase and sales contracts.
- II. Assets acquired or disposed of through merger, demerger, acquisition, or share

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transfer in accordance with law: Assets acquired or disposed of through merger, demerger, or acquisition in accordance with the Business Mergers and Acquisitions Act, the Financial Holding Company Act, the Financial Institutions Merger Act, or other laws, or through the issuance of new shares and transfer of shares in another company pursuant to Paragraph 8 of Article 156 of the Company Act (hereinafter referred to as “share transfer”).

- III. Related party: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
- IV. Professional appraiser: A real estate appraiser or other person authorized by law to engage in the appraisal of real estate or fixed assets.
- V. Date of occurrence: The date of execution of the contract, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.
- VI. Investment in China: The investments in China conducted in accordance with the Regulations Governing Permission for Investment or Technical Cooperation in Mainland China promulgated by the Investment Commission, Ministry of Economic Affairs.
- VII. Professional investors: refer to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting businesses, futures commission merchants operating proprietary trading businesses, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies that are established in accordance with legal regulations and are regulated by the local financial competent authority.
- VIII. Securities Exchange: A domestic securities exchange refers to the Taiwan Stock Exchange Corporation. A foreign securities exchange refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.

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- IX. Securities Firm Business Premises: Domestic securities firm business premises refer to locations where securities are traded in accordance with the securities firm's operating premises. The regulations stipulate the premises where securities firms set up dedicated counters for trading; foreign securities firm business premises refer to the operating locations of financial institutions that are regulated by foreign securities authorities and authorized to conduct securities business.
- X. The “most recent financial statements” referred to herein mean the financial statements audited or reviewed by a certified public accountant before the company acquired or disposed of assets.

Article 5: Investment in non-operating real property and right-of-use assets thereof and limit of securities

The limit on the acquisition of said assets by the Company and its subsidiaries are set as follows:

- I. The aggregate amount of non-operating real property shall not exceed 50% of the net worth.
- II. The aggregate amount of investments in long-term and short-term marketable securities shall not exceed 150% of the paid-in capital or 100% of the net worth, whichever is higher, as stated in the most recent financial statements. However, if the underlying asset is a bond fund, it may be excluded from the calculation of aggregate amount of short-term securities. Said “net worth” is based on the net worth referred to in the most recent financial statements at the time of investment.
- III. Investments in individual marketable securities may not exceed 100% of the paid-in capital in the most recent financial statements.

Article 6: I. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:

- (I) May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of this Act, Company Act,

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Banking Act, Insurance Act, Financial Holding Company Act, or Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, expiration of the period of a suspended sentence, or a pardon was received.

- (II) Shall not be a related party or a de facto related party of any party to the transaction.
 - (III) If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.
- II. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of the industry associations to which they belong and with the following provisions:
- (I) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
 - (II) When conducting a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusions shall be fully and accurately specified in the case working papers.
 - (III) They shall undertake an item-by-item evaluation of the appropriateness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.
 - (IV) They shall issue a statement attesting to the professional competence and independence of the personnel who prepare the report or opinion, confirming that they have evaluated and found the information used to be appropriate and reasonable, and that they have complied with applicable laws and regulations.

Article 7: Procedures for acquisition or disposal of property, plant, and equipment or right-of-use assets

- I. Procedures for determination of transaction terms and authorized limit

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- (I) To resolve the trading conditions and price of the acquisition or disposal of real estate or the right-of-use assets thereof, it is necessary to take into account the publicly announced current value, assessed value, and actual transaction price for the real estate in the neighborhood and prepare an analysis report to be submitted to managers at all levels. The acquisition or disposal of other fixed assets thereof shall be done in any of the manners including price inquiry, price comparison, bargain process or tender process.
 - (II) The amounts for the acquisition or disposal of property, plant and equipment or right-of-use assets shall be approved by managers at all levels in accordance with the “Flow and Approval Authorization Form.” Amounts beyond the scope of authorization or budget require approval from the president, CEO, and Chairman of the Board, and shall be submitted to the Board of Directors for approval.
 - (III) If the acquisition or disposal of assets by the Company requires approval by the Board of Directors according to established procedures or other laws and regulations, and a director expresses a dissenting opinion and there is a record or written statement of that dissent, the Company shall submit the director's dissenting information to the Audit Committee. In addition, if the Company has appointed independent directors, when transactions involving the acquisition or disposal of assets are submitted to the Board of Directors for discussion in accordance with regulations, the opinions of each independent director shall be fully taken into consideration. If any independent director expresses an objection or reservation, such views shall be recorded in the minutes of the Board meeting.
- II. Execution unit
- When the Company acquires or disposes of property, plant, and equipment or right-of-use assets, the requesting department and financial and accounting unit shall be responsible for executing the same after it is submitted for approval according to the “Flow and Approval Authorization Form” referred to in the preceding paragraph.
- III. Appraisal Report on Property, Equipment, or Right-of-Use Assets Thereof

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In acquiring or disposing of real estate, equipment, or right-of-use assets thereof where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment thereof held for operating purpose, shall obtain an appraisal report from a professional appraiser in advance and shall further comply with the following provisions:

- (I) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.
- (II) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.
- (III) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, a CPA shall be engaged to perform the appraisal in accordance with the provisions of SAP No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
 1. The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount.
 2. The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.
- (IV) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser, if the appraisal is conducted before the contract execution date; However, if it is applicable to the same present value announced and is not over six months old, a written opinion may be issued by the original professional appraiser.
- (V) Where the Company acquires or disposes of assets through court auction

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procedures, the evidentiary documentation issued by the court may substitute the appraisal report or CPA opinion.

Article 8: Procedures for Acquisition or Disposal of Securities Investments

I. Procedures for determination of transaction terms and authorized limit

- (I) Securities trading in securities exchanges or OTC markets shall be decided by the responsible unit based on market conditions. The Company shall, prior to engaging in the securities which are not traded in securities exchanges or OTC markets, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price. Determination of such transaction price shall also take into account the net worth per share, profitability and future development potential. The acquisition and disposal shall be approved according to the “Flow and Approval Authorization Form.”
- (II) If the acquisition or disposal of assets by the Company requires approval by the Board of Directors according to established procedures or other laws and regulations, and a director expresses a dissenting opinion and there is a record or written statement of that dissent, the Company shall submit the director's dissenting information to the Audit Committee. In addition, if the Company has appointed independent directors, when transactions involving the acquisition or disposal of assets are submitted to the Board of Directors for discussion in accordance with regulations, the opinions of each independent director shall be fully taken into consideration. If any independent director expresses an objection or reservation, such views shall be recorded in the minutes of the Board meeting.
- (III) If an Audit Committee has been established in accordance with the Securities and Exchange Act, the establishment or amendment of the procedures for acquisition or disposal of assets shall be approved by a majority of all Audit Committee members and submitted to the Board of Directors for resolution.

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II. Execution unit

When the Company invests in securities, the financial and accounting unit shall be responsible for executing the same after it is submitted for approval according to the “Flow and Approval Authorization Form” referred to in the preceding paragraph.

III. Obtaining Expert Opinions

(I) If the Company's acquisition or disposal of securities meets any of the following circumstances and the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant to provide an opinion regarding the reasonableness of the transaction price (unless the securities refers to those with a public quotation in an active market):

1. Acquisition or disposal of securities not traded in a securities exchange or OTC market;
2. Acquisition or disposition of privately placed securities.

(II) Where the Company acquires or disposes of securities through court auction procedures, the evidentiary documentation issued by the court may substitute the appraisal report or CPA opinion.

Article 9: Procedures for transactions with related parties

I. When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to applying Article 7. Procedures for acquisition or disposal of property, plant, and equipment or right-of-use assets, it shall also ensure that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised pursuant to the following requirements, if the transaction amount reaches more than 10% of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion pursuant to Article 7 herein. Further, when judging whether a trading counterpart is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.

II. Evaluation and Operating Procedures

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- (I) When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following information has been approved by the Board of Directors and acknowledged by the Audit Committee:
1. The purpose, necessity, and expected benefits of the acquisition or disposal of assets.
 2. The reasons for selecting the related party as the trading counterpart.
 3. With respect to the acquisition of real estate or right-of-use assets thereof from a related party, information regarding appraisal on the reasonableness of the preliminary transaction terms in accordance with Paragraph 3 of this Article.
 4. The matters of the related party's original acquisition date and price, trading counterpart and the relationship between the Company and the related party.
 5. The monthly cash income and expense forecast within the year from the month of the contract signing; also, assess the necessity of the trade and the reasonableness of the use of funds.
 6. An appraisal report from a professional appraiser or a CPA's opinion obtained in according to the preceding article.
 7. Restrictive covenants and other important agreements associated with the transaction.
- (II) With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its

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subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the Company's Board of Directors may delegate the Chairman to decide such matters, pursuant to Paragraph 1 and Paragraph 2, Article 7 of the Procedures, when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next directors' meeting:

1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.
2. Acquisition or disposal of real estate right-of-use assets held for business use.

(III) Where the Company has appointed independent directors, when it submits the Procedures for discussion by the Board of directors pursuant to Paragraph 2, Article 18 of the Procedures, it shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board meeting.

(IV) Where an Audit Committee has been established as required, matters subject to approval by the Audit Committee under Paragraph 1, Article 18 shall first be approved by a majority of all Audit Committee members and then submitted to the Board of Directors for resolution, and Paragraph 4 and Paragraph 5, Article 18 shall apply *mutatis mutandis*.

(V) Where the Company or its subsidiaries that are not themselves public companies in Taiwan engage in the transactions listed in Paragraph 1, and the transaction amount reaches 10% or more of the Company's total assets, the Company may not proceed to enter into a transaction contract or make a payment until the information referred to in Paragraph 1 has been submitted to a shareholders' meeting for approval. However, this restriction does not apply to transactions between the Company and its parent company or subsidiaries, or among its subsidiaries.

(VI) The calculation of the transaction amounts referred to in Paragraph 1 and the preceding paragraph shall be done in accordance with Paragraph 2,

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Article 14 herein, and “within the preceding year” as used herein refers to the year preceding the date of occurrence of the current transaction. Items which have been submitted to a shareholders’ meeting, approved by the Board of Directors and acknowledged by the Audit Committee need not be counted toward the transaction amount.

III. Evaluation on Reasonableness of Transaction Costs

- (I) When acquiring real estate or right-of-use assets thereof from a related party, the Company shall evaluate the reasonableness of the transaction costs by the following means:
 - 1. Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. The “necessary interest on funding” is imputed as the weighted average interest rate on borrowing in the year the Company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.
 - 2. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been more than 70% of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the trading counterparts.
- (II) Where land and structures thereupon are combined as a single property purchased in one transaction, the transaction costs for the land and the houses may be separately appraised in accordance with either of the means listed in the preceding paragraph.
- (III) When acquiring real estate or right-of-use assets thereof from a related party, the Company shall appraise the cost of the real estate or right-of-use assets thereof in accordance with the Paragraphs 3(1) and (2) of this article and also engage a CPA to check the appraisal and render a specific opinion.

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(IV) If the Company acquires real estate or its right-of-use assets from a related party and the appraisal result was lower than the transaction price in accordance with the provisions of Paragraphs 3(1) and (2) of this article, Paragraph 3(5) of this article shall apply. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:

1. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:
 - (1) Where undeveloped land is appraised in accordance with the means in the subparagraphs, and houses according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The “reasonable construction profit” shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.
 - (2) Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.
 - (3) Leases by unrelated parties within the preceding year involving other floors of the same property, where the transaction terms are found similar after calculation of reasonable price discrepancies in floor price in accordance with standard property leasing practices.
2. Where the Company, upon acquiring real estate or obtaining the

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right-of-use assets of real estate through leasing from a related party, provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year. Said completed transactions involving neighboring or closely valued parcels of land in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50% of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real estate or obtainment of the right-of-use assets thereof.

(V) If the Company acquires real estate or its right-of-use assets from a related party and the appraisal result was lower than the transaction price in accordance with the provisions of Paragraphs 3(1) and (2) of this article, the following requirements shall be satisfied: Moreover, the Company and publicly traded companies that use the equity method to evaluate investments in the Company, after setting aside special reserve for earnings in accordance with the aforementioned provisions, may only utilize the special reserve after the high-priced assets purchased have been recognized as impairment losses or disposed of, or appropriate compensation or restoration to the original state has been made, or other evidence confirms that no unreasonable act occurred, and with the approval of the Financial Supervisory Commission of the Ministry of Finance.

1. A special reserve shall be set aside in accordance with Paragraph 1 of Article 41 of the Securities and Exchange Act against the difference between the real property transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where a public company uses the equity method to account for

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its investment in the Company, then the special reserve called for under Paragraph 1, Article 41 of the Act shall be set aside pro rata in a proportion consistent with the share of the public company’s equity stake in the Company.

2. The Audit Committee shall act subject to Article 218 of the Company Act.
3. Actions taken pursuant to Point 1 and Point 2, Paragraph 3(5) herein shall be reported to a shareholders’ meeting and the transaction shall be disclosed in the annual report and any investment prospectus.

(VI) Where the Company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with the provisions about evaluation and operating procedures referred to in Paragraph 1 and Paragraph 2 of this article, while Paragraphs 3(1), (2) and (3) of this article do not apply:

1. The related party acquires the real property or right-of-use assets thereof through inheritance or as a gift.
2. More than 5 years will have elapsed from the time the related party signed the contract to obtain the real property or right-of-use assets thereof to the signing date for the current transaction.
3. The real property or right-of-use assets is acquired through execution of a joint development contract with the related party.
4. The real property right-of-use assets for business use are acquired by the Company with its parent or subsidiaries, or subsidiaries which it directly or indirectly holds 100% of the issued shares or authorized capital.

(VII) If the acquisition of real property or right-of-use assets thereof from a related party by the Company proves to be not conducted under the arm’s-length principle with evidence, the requirements as stated in Paragraph 3(5) of this article shall apply.

Article 10: Procedures for acquisition or disposal of membership certificates or right-of-use assets

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thereof, or intangible assets

I. Procedures for determination of transaction terms and authorized limit

- (I) When acquiring or disposing of membership certificates or right-of-use assets thereof or intangible assets, the company shall take the market fair price into consideration to resolve the trading terms and price, and an analysis report shall be prepared and submitted to the president. The transaction may only be executed upon approval according to the “Flow and Approval Authorization Form.”
- (II) If the acquisition or disposal of assets by the Company requires approval by the Board of Directors according to established procedures or other laws and regulations, and a director expresses a dissenting opinion and there is a record or written statement of that dissent, the Company shall submit the director's dissenting information to the Audit Committee. Where the Company has appointed independent directors, their opinions shall be fully considered when a transaction involving the acquisition or disposal of assets is submitted to the Board of Directors for discussion, and their assenting or dissenting opinions and the reasons thereof shall be included in the minutes of the Board of Directors' meeting.

II. Execution unit

When the Company acquires or disposes of membership certificates or intangible assets, the financial and accounting unit, requesting department and competent department shall be responsible for executing the same after it is submitted for approval according to the “Flow and Approval Authorization Form” referred to in the preceding paragraph.

- III. Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or membership certificates and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.

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IV. Where the appraisal report on membership certificates or right-of-use assets thereof or intangible assets indicates that the Company acquires or disposes of intangible assets or membership certificates and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, and where the Company has appointed independent directors, when it submits the Procedures for Acquisition or Disposal of Assets for discussion by the Board of directors pursuant to the relevant requirements, it shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board meeting.

Article 11: Procedures for acquisition or disposal of claims of financial institutions

In principle, the Company does not engage in the acquisition or disposal of claims of financial institutions. If it intends to engage in the acquisition or disposal of claims of financial institutions in the future, it will submit the proposal to the Board of Directors for approval before establishing the relevant evaluation and operating procedures.

Article 12: Procedures for acquisition or disposal of derivative products

I. Trading principles and policies

(I) Types of transactions

1. The derivative financial instruments that the Company engages in refer to the trading contracts (e.g. forward contracts, options contracts, futures contracts, interest rate or foreign exchange rate, swap contracts, and hybrid products of above contracts) whose value is derived from assets, interest rate, foreign exchange rate, index or other benefits.
2. Matters relating to bond margin trading shall be processed in accordance with the relevant provisions of the Procedures. The Procedures shall not apply to bonds under repurchase agreements.

(II) Operating (hedging) strategy

The Company shall engage in derivatives trading for the hedging purposes, and choose the trading instruments that may evade the foreign exchange rate risk and interest rate risk resulting from the Company's business

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management. The currency types held by the Company shall be commensurate to the foreign currencies adopted by the Company for its export/import transactions physically, in order to pursue the offset of internal positions (foreign currency revenue and expenditure) throughout the Company on a voluntary basis, in principle, in order to mitigate the Company's overall foreign exchange risk and also save the costs in foreign exchange operations. Any other transactions for specific purposes shall be carefully evaluated and conducted only upon resolution by the Board of Directors.

(III) Division of responsibilities

1. The trading unit is the financial and accounting unit, responsible for collecting relevant information, researching future market trends, and developing trading strategies. These strategies are first reported to the president and then submitted to the Board of Directors for case-by-case approval before being carried out.
2. Cashiers are responsible for managing funds and processing transactions.
3. Accountants are responsible for bookkeeping and for confirming transaction details, evaluating profit and loss, and handling accounting records.
4. Personnel who handle trading, settlement, and accounting may not hold the positions concurrently.

(IV) Derivative Products Authorization Regulations

The trading unit shall review each case of derivative trading conducted by the Company and submit a report to the president, and such trading may only be conducted after approval by the Board of Directors.

(V) Restrictions on total transaction amount

Within the limits authorized by the Board of Directors, the total amount of the Company's derivative contracts shall not exceed the Company's foreign currency needs for the next six months, in principle. If there is a special need, it must be approved by the president and filed with the Board of

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Directors before trading can occur.

(VI) Guidelines for performance evaluation

1. Establish the size of derivative positions, set profit/loss goals and review them regularly.
2. Performance evaluation shall be compared to the pre-defined benchmarks on the evaluation date and used as a reference for future decisions.

(VII) Limit of losses

The overall and individual contract loss limits are set as follows:

1. Hedging transaction:

The transaction was carried out to meet the Company’s specific needs, and the associated risks were assessed and controlled in advance, so there is no issue about the limit of loss.

2. Transactions for specific purposes:

The “operations team” shall carry out transactions within the authorized amount, and a stop-loss point shall be set after a derivative product position is established to prevent excessive losses. The stop-loss point set shall not exceed 5% of the transaction amount.

II. Risk management measures

(I) Credit risk management:

The trading counterpart must be a bank approved by the Company or a domestic or overseas branch of a financial institution.

(II) Market risk management:

It is mainly engaged in hedging transactions.

(III) Liquidity risk management:

Cash flow is properly controlled and limited to prevent a breach of contract due to insufficient funds.

(IV) Operational risk management

Comply with the division of responsibilities and leverage mutual oversight to ensure that all transactions are properly authorized.

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(V) Legal risk management:

Any document signed with a trading counterpart must be reviewed by the legal department or legal counsel before formal signature to avoid legal risks.

III. Regular Evaluations

- (I) The financial officer shall regularly report the derivative products evaluation report or its contents to the Board of Directors at each level.
- (II) The financial officer shall, in accordance with the enforcement rules of internal control, continuously monitor and control derivative products trading risk, and regularly evaluate whether the transaction performance aligns with the established business strategy and whether the assumed risks are within the Company’s risk tolerance.
- (III) The financial officer shall regularly assess whether the risk management procedures currently in use are appropriate and are being faithfully implemented in accordance with these procedures.
- (IV) Derivative product positions arising from financial transactions are evaluated on a weekly basis, and hedging transactions conducted for business needs are evaluated once per two weeks.
- (V) If there are any abnormal circumstances in the market value assessment report, the financial officer shall respond immediately and take necessary measures.

IV. Internal audit system

The Company's internal audit personnel shall periodically make a determination of the suitability of internal controls on derivatives and conduct a monthly audit of how faithfully derivatives trading by the trading department adheres to the procedures for engaging in derivatives trading and analyze the trading cycles, and prepare an audit report. If any material violation is discovered, the Audit Committee shall be notified in writing.

V. Board of Directors’ supervision and management principles for derivative transactions

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- (I) The Board of Directors shall designate senior executives to monitor and control derivative products trading risk at all times, and the management principles are as follows:
 - 1. Regularly assess whether the risk management measures currently in use are appropriate and are handled in accordance with the Company’s procedures for engaging in derivative trading.
 - 2. When irregular circumstances are found in the course of supervising trading and profit-loss circumstances, appropriate measures shall be adopted and a report immediately made to the Board of Directors. If the Company has appointed independent directors, the independent directors shall be present at the Board of Directors meeting and express opinions.
- (II) Periodically evaluate whether derivatives trading performance aligns with the established business strategy and whether the assumed risks are within the Company’s risk tolerance.
- (III) When engaging in derivatives trading, the Company shall establish a logbook in which details of the types and amounts of derivatives trading engaged in, Board of Directors approval dates, and the matters required to be carefully evaluated under Paragraph 3 of this Article shall be recorded in detail in the logbook. In addition, if the Company has appointed independent directors, when transactions involving the acquisition or disposal of assets are submitted to the Board of Directors for discussion in accordance with regulations, the opinions of each independent director shall be fully taken into consideration. If any independent director expresses an objection or reservation, such views shall be recorded in the minutes of the Board meeting.

Article 13: Procedures for merger, demerger, acquisition, or share transfer

- I. The method for determining and the reference basis for the consideration.
In the event of a merger, demerger, acquisition, or share transfer, the Company shall comprehensively consider the past and future financial and business conditions of the participating companies, the expected future benefits, the fair

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manner in which the market determines the transaction price, and professional opinion from CPAs, attorneys-at-law or securities underwriters, and negotiate a price with the other party involved in the merger, demerger, acquisition, or share transfer.

II. Commission experts to provide opinions

In the event of a merger, demerger, acquisition or transfer of shares, the Company shall appoint a Certified Public Accountant, attorney-at-law or securities underwriter to express an opinion on the reasonableness of the share exchange ratio, acquisition price or cash or other assets distributed to shareholders before convening a Board of Directors' meeting to resolve the matter, and the opinion shall be submitted to the Board of Directors' meeting for discussion and approval.

III. Decision-making hierarchy

The Company's merger, demerger, acquisition, or share transfer shall be resolved in accordance with the Company Act and relevant laws and regulations.

IV. Submission of relevant materials, and disclosure of information if not approved by the shareholders' meeting.

(I) The Company, when participating in a merger, demerger, acquisition, shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, division, or acquisition prior to the shareholders meeting and include it along with the expert opinion referred to in Paragraph 1(2) of this Article when sending shareholders the notification of the shareholders' meeting for reference in deciding whether to approve the merger, demerger, or acquisition, unless the Company may be exempted from convening a shareholders' meeting for the resolution under any other laws.

(II) Where either party participating in the merger, demerger or acquisition fails to convene the shareholders' meeting to resolve the matter due to lack of a quorum, insufficient votes, or other legal restriction, or the motion is rejected by the shareholders' meeting, the Company participating in the

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merger, demerger or acquisition shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders’ meeting.

V. Dates of Board of Directors and Shareholders’ Meetings

(I) The Company shall convene a meeting of the Board of Directors and a shareholders’ meeting on the same day of the transaction to resolve issues relevant to the merger, demerger, or acquisition, unless otherwise provided by laws or any special circumstances already approved by the Financial Supervisory Commission.

When the Company participates in a merger, demerger, acquisition, or share transfer, the following information shall be fully documented in writing and retained for five years for audit purposes.

1. Personnel profile: Including the job titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of shares prior to disclosure of the information.
2. Dates of material events: Including execution of any letter of intent or memorandum of understanding, engagement of a financial or legal advisor, execution of a contract, and date of convening a meeting of the Board of Directors.
3. Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of meetings of the Board of Directors.

When the Company participates in a merger, demerger, acquisition, or share transfer, the information in the subparagraphs 1 and 2 of the preceding paragraph shall be filed with the FSC in the prescribed format via the Internet information system for future reference within two days of the Board of Directors’ resolution.

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Where any company participating in a merger, demerger, acquisition, or transfer of shares is not a listed company or its shares are not traded on the TPEX, the listed or TPEX-traded company shall sign an agreement with such company and handle the matter in accordance with the provisions of Paragraphs 3 and 4.

- (II) Unless otherwise provided by law, the Company shall convene a meeting of the Board of Directors on the same day as the company participating in the share transfer when handling a share transfer.

VI. Confidentiality obligations and avoidance of insider trading

Every person participating in or privy to the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the contents of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or transfer of shares.

VII. Principles for changes in share swap ratio or acquisition price

When the Company participates in a merger, demerger, acquisition, or share transfer, it may not arbitrarily alter the share exchange ratio or acquisition price unless under the following circumstances, and shall stipulate the circumstances permitting alteration in the contract for the merger, demerger, acquisition, or transfer of shares:

- (I) Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.
- (II) An action, such as a disposal of major assets, that affects the Company's financial operations.
- (III) An event, such as a major disaster or major change in technology, that affects the shareholder equity or share price.
- (IV) An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares from another company, buys

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back treasury stock.

- (V) An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.
- (VI) Other terms and conditions that the contract stipulates may be altered and that have been publicly disclosed.

VIII. Matters to be set forth in the contract

When the Company participates in a merger, demerger, acquisition, or share transfer, the contract shall record the rights and obligations of the company involved in the merger, demerger, acquisition, or share transfer, and also the following:

- (I) Response to breach of contract.
 - (II) Principles for disposal of the equity securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or that is demerged.
 - (III) The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for disposal thereof.
 - (IV) The manner of handling changes in the number of participating entities or companies.
 - (V) Preliminary progress schedule for plan execution, and anticipated completion date.
 - (VI) Scheduled date for convening the legally mandated shareholders’ meeting if the plan is not completed within the time limit, and relevant procedures.
- IX. After public disclosure of the information, if any company participating in the merger, demerger, acquisition, or share transfer intends further to carry out a merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders meeting has adopted a resolution authorizing the board of directors to alter the limits of authority, the Company

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may be exempted from calling another shareholders’ meeting to resolve on the matter anew.

- X. Where any of the companies participating in a merger, demerger, acquisition, or transfer of shares is not a public company, the Company shall sign an agreement with such company and Paragraph 5, Paragraph 6 and Paragraph 9 shall apply.

Article 14: Time Limit and Contents of Regulatory Filing and Announcement (after the IPO)

- I. In the event of any of the following circumstances met by the Company’s acquisition and disposition of assets, the Company shall publicly announce and report the relevant information in appropriate format on the website designated by Financial Supervisory Commission within 2 days after action has been taken depending on the nature of the assets:

- (I) When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

- (II) Merger, demerger, acquisition, or share transfer.

- (III) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the Procedure.

- (IV) The acquisition or disposal of equipment for business use or its right-of-use assets, where the counterparty is not a related party, and the transaction amount meets one of the following criteria:

1. For a public company with paid-in capital less than NT\$ 10 billion, the transaction amount reaches NT\$ 500 million or more.
2. For a public company with paid-in capital more than NT\$ 10 billion, the transaction amount reaches NT\$1 billion or more.

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- (V) Where acquisition of real property through the construction on property land by commissioned builder, construction on rented land by commissioned builder, joint venture of construction for sharing of built premises, joint ventures of construction with sharing of proceeds, and joint venture of construction with separate selling of the premises, and the trading counterpart is not a related party, and the planned investment of the Company is more than NT\$ 500 million.
- (VI) Where a transaction of assets other than any of those referred to in the preceding five paragraphs, or an investment in the Mainland China area reaches 20% or more of the Company's paid-in capital or NT\$ 300 million. This shall not apply to the following circumstances:
1. Trading of domestic government bonds or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.
 2. Where done by professional investors - securities trading on securities exchanges or OTC markets at home or abroad, or subscription of foreign government bonds or ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the domestic primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or reverse repurchase of exchange traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.
 3. Trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
- II. The amount of said transactions shall be calculated as follows:
- (I) The amount of any individual transaction.
 - (II) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterpart within the

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preceding year.

(III) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.

(IV) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.

III. “Within the preceding year” as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction.

Items duly announced in accordance with the Procedures need not be counted toward the transaction amount.

IV. The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the Company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.

V. When the Company at the time of announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of awareness of such error or omission.

VI. Upon acquisition or disposition of assets, the Company shall keep a copy of related contracts, minutes of meetings on record, record books, appraisal reports, opinions issued by certified public accountants, lawyers or securities underwriters and retain such documents for at least 5 years, unless otherwise specified by law.

VII. Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the preceding article, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days

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counted inclusively from the date of occurrence of the event:

- (I) Change, termination, or rescission of a contract signed in regard to the original transaction.
- (II) The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.
- (III) Change to the originally publicly announced and reported information.

Article 15: Subsidiaries of the Company shall comply with the following provisions:

- I. Subsidiaries shall also establish their own “Regulations Governing Acquisition or Disposal of Assets” in accordance with relevant regulations.

Article 16: Penalties

If the relevant personnel of the Company violate the provisions of the Company's “Regulations Governing Acquisition or Disposal of Assets” in acquiring or disposing of assets, they shall be reported for review in accordance with the Company's personnel management regulations and punished subject to the severity of the offense.

Article 17: Supplementary Provisions to Relevant Laws and Regulations

Any matters not covered herein shall be governed by the relevant laws and regulations.

Article 18: Implementation and Amendment

The Company's “Regulations Governing Acquisition or Disposal of Assets” shall be implemented after approval by the Board of Directors and submission to the Audit Committee. The same procedure applies to any amendments. If a director expresses a dissenting opinion and there is a record or written statement of that dissent, the Company shall submit the director's dissenting information to the Audit Committee.

Where the Company has appointed independent directors, when it submits the “Regulations Governing Acquisition or Disposal of Assets” for discussion by the Board of directors, it shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board meeting.

If an Audit Committee has been established in accordance with the Securities and

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Exchange Act, the establishment or amendment of the “Regulations Governing Acquisition or Disposal of Assets” shall be approved by a majority of all Audit Committee members and submitted to the Board of Directors for resolution.

Where no approval by a majority of all the Audit Committee members is obtained, the Regulations may be adopted upon approval by more than two-thirds of all the Board Directors, and the Audit Committee’s resolution shall be specified in the minute of meeting of the Board of Directors.

The terms “all the Audit Committee members” referred to in Paragraph 3 and “all the Board directors” referred to in the preceding paragraph shall refer to those currently holding the positions.

Appendix 6: Shareholding of Directors

Shareholding status of all directors of HanchorBio, Inc.

Closing date for stock transfer: March 23, 2026

Title	Name	Number of shares
Chairman	LIU SHI-KAU	51,875,982
Director	AFFINITY HEALTH FUND TWO, L.P. LIN, TING-KUAN	5,762,223
Director	HO TUNG-KUANG	70,008
Director	TSE, HSIN	0
Director	LUK ALVIN YING-MING	43,957
Independent director	HSIUNG KE-BING	17,200
Independent director	CHEN CHIEN-CHUNG	0
Independent director	SHER CHING-JU	0
Independent director	CHUANG YA-HUI	0
Number of shares held by all directors		57,769,370

Note:

- (1) The Company's paid-in capital is NT\$ 1,302,057,370, with a total of 130,205,737 issued shares.
- (2) According to Article 26 of the Securities and Exchange Act, the minimum statutory shareholding requirement for all directors of the Company shall not be less than 8,800,000 shares.
- (3) The Company has already established an Audit Committee; consequently, the statutory minimum shareholding requirements for supervisors are not applicable.