

Tanvex BioPharma, Inc.
泰福生技股份有限公司



Meeting Minutes for the 2017 Annual General Shareholder's Meeting

Time: Thursday, 10:00am-10:30am, June 15, 2017, Taipei Local Time

Venue: Hall 1, 4F., No. 99, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City, Taiwan

Shares Represented: 193,253,703 voting shares present, representing 92.32% of the total 178,419,116 outstanding ordinary shares.

Present Directors: Chi-Chuan Chen (Director), Mr. Allen Chao (Director), Mr. David Hsia (Director), Mr. Lee-Chiou Chang (Independent Director) and Mr. Jin Pau, Tsai (Independent Director)

In Attendance: Hao-Ray Hu, Lawyer of Baker & McKenzie, Ms. Hui-Jin Tseng, CPA of PricewaterhouseCoopers, Taiwan

Chairman: Chi-Chuan Chen, Chairman of the Board of Directors

Secretary: Tiffany Chu

I. Opening Announcement:

The Chairman declared the members present in attendance and by proxy satisfied the quorum requirements of the Articles of Association of the Company, and called the meeting to order.

II. Chairman's Remarks: (Omitted)

III. Report Matters:

Item 1: The 2016 Business Reports

Explanation:

- (1) The Company's Business Report of 2016 is attached as Attachment 1.

- (2) In accordance with the Letter of Jeng-Gre-Shen-Ji number 1040019420 dated July 28th, 2015 issued by Taipei Exchange, it is required for the Company to submit the quarterly execution status report on sound business plan to the Board of Directors for monitoring, and to report in the Shareholders' meeting.
- (3) The 4th quarter, 2016 execution status report on sound business plan is attached as Attachment 2.

Item 2: The Audit Committee's review of the Annual Financial Audit Report of Year 2016.

Explanation: The Audit Committee's review report is attached as Attachment 3.

Item 3: The Amendment of the Rules of Procedure for Board of Directors Meeting.

Explanation:

- (1) According to Regulations Governing Procedure for Board of Directors Meetings of Public Companies, the Company hereby proposes to amend the Rules of Procedure for Director Meetings.
- (2) The comparison table of amendment to Rules of Procedure for Board of Directors Meeting is attached as Attachment 4.

IV. Acknowledgement Matters

Item 1: Proposal to accept 2016 Business Report and Consolidated Financial Report (proposed by the Board of Directors).

Explanation:

- (1) The Company's 2016 Business Report and Consolidated Financial Report have been approved by the Board of Directors and reviewed by the Audit Committee of the Company. The 2016 Consolidated Financial Report, including Balance Sheet, Statements of Comprehensive Income, Statement of Changes in Equity and Statements of Cash Flows were audited by Ms. Hui-Jin Tseng and Mr. Sheng-Wei Teng of PricewaterhouseCoopers Taiwan who issued the unqualified opinion of the auditor's report.
- (2) 2016 Business Report, Independent Auditors' Audit Report and the aforementioned

Consolidated Financial Report are attached as attachments 1 and 5.

(3) It is proposed to approve the proposal.

Ordinary Resolution:

The resolution was put to vote by the members. It was resolved by the votes described in the chart below, in favor of approving the proposal.

Total number of voting shares present: 176,879,116		
Voting Result	# of Shares Voted	% of the total represented share present
Number of shares voted “in favor”	160,464,311	90.71%
Number of shares voted “against”	1,000	0.00%
Number of invalid shares	0	0.00%
Number of shares voted “abstain”/not voting	16,413,805	9.27%

Item 2: Proposal to accept the loss make-up of 2016 (proposed by the Board of Directors)

Explanation:

(1) After auditing by the CPA, in Year 2016 the Company’s net loss after tax is NT\$ 1,244,445,742. After adding accumulated deficit of NT\$ 835,255,273 in the beginning of 2016, the aggregated accumulated deficit is NT\$ 2,079,701,015.

(2) The annual loss make-up for 2016 is as follows:

Expressed in New Taiwan Dollar	
Item	Amount
Losses to be covered in the beginning of the year	(835,255,273)
Plus: 2016 Net loss after tax	(1,244,445,742)
Losses to be covered at the end of the year	(2,079,701,015)

(3) It is proposed to approve the proposal.

Ordinary Resolution:

The resolution was put to vote by the members. It was resolved by the votes described in the chart below, in favor of approving the proposal.

Total number of voting shares present: 176,879,116		
Voting Result	# of Shares Voted	% of the total represented share present
Number of shares voted “in favor”	160,464,300	90.71%
Number of shares voted “against”	1,011	0.00%
Number of invalid shares	0	0.00%
Number of shares voted “abstain”/not voting	16,413,805	9.27%

V. Proposals and Discussions

Item 1: Proposal to issue the Employee Stock Option Plan for Year 2017 (proposed by the Board of Directors).

Explanation:

- (1) To attract and retain the talents/ skilled employees needed for development of the Company, to boost employee’s loyalty to the Company, and to jointly create benefit for the Company and its shareholders, in accordance with Article 17 of the Company’s Memorandum and Articles of Association, it is proposed to adopt the 2017 (first) Employee Stock Option Plan (the "Plan").
- (2) The maximum aggregate number of options that may be issued under the Plan is 6,000 units. The maximum number of common shares that may be issued pursuant to the Plan is 6,000,000 shares. The maximum aggregate number of shares which may be purchased by exercising the new options granted under the Plan shall not exceed 10% of the total issued shares of the Company.
- (3) The grant price shall not be lower than the fair market value of the Company’s common shares on the date of issue/grant. For these purpose, the fair market value on the date of grant shall be determined as follows: When the Company shares are traded on the Emerging Market, the fair market value shall be the total value of the Company’s common shares traded in the Emerging Market Computerized Price

Negotiation and Click System each trading day of the 30-trading-day period preceding the issue/ grant date, divided by total number of the Company's common shares traded on the Emerging Market each trading day of the 30-trading-day period preceding the issue/ grant date and, in any case, shall not be lower than the net worth per share as shown in the Company's latest financial statements audited or reviewed by a CPA. When the Company shares are listed on the Taiwan Stock Exchange or the Taipei Exchange, the fair market value shall be the closing price of the Company's common shares on the date of issue/grant.

(4) The 2017 (First) Employee Stock Option Plan is attached as Attachment 6.

(5) It is proposed to approve the proposal.

Ordinary Resolution:

The resolution was put to vote by the members. It was resolved by the votes described in the chart below, in favor of approving the proposal.

Total number of voting shares present: 176,879,116		
Voting Result	# of Shares Voted	% of the total represented share present
Number of shares voted "in favor"	160,464,311	90.71%
Number of shares voted "against"	1,000	0.00%
Number of invalid shares	0	0.00%
Number of shares voted "abstain"/not voting	16,413,805	9.27%

Item 2: Proposal to Amend the Operational Procedures for Acquisition and Disposal of Assets (proposed by the Board of Directors).

Explanation:

- (1) Pursuant to the amendment of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies issued in Ruling No. 1060001296 dated February 9, 2017 by the Financial Supervisory Commission, the Company hereby proposes to amend the Operational Procedures for Acquisition and Disposal of Assets.

- (2) The comparison table of amendment to Operational Procedures for Acquisition and Disposal of Assets is attached as Attachment 7.
- (3) It is proposed to approve the proposal.

Ordinary Resolution:

The resolution was put to vote by the members. It was resolved by the votes described in the chart below, in favor of approving the proposal.

Total number of voting shares present: 176,879,116		
Voting Result	# of Shares Voted	% of the total represented share present
Number of shares voted “in favor”	160,464,311	90.71%
Number of shares voted “against”	1,000	0.00%
Number of invalid shares	0	0.00%
Number of shares voted “abstain”/not voting	16,413,805	9.27%

Item 3: Proposal to Release the Prohibition on Non-Competition of Directors (proposed by the Board of Directors).

Explanation:

- (1) According to Article 209 of the Company Act of the Republic of China, a Director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
- (2) A Director who does anything for himself or on behalf of another person that is within the scope the company's or similar company's business and assumes a role of Director or Officer, if there are no damages to the company's interests, shall be removed from the limitation of non-compete clause according to Section 97B of the Articles of Association.
- (3) The details of the proposal to release the non-competition prohibition is attached as Attachment 8.
- (4) It is proposed to approve the proposal.

Ordinary Resolution:

The resolution was put to vote by the members. It was resolved by the votes described in the chart below, in favor of approving the proposal.

Total number of voting shares present: 176,879,116		
Voting Result	# of Shares Voted	% of the total represented share present
Number of shares voted “in favor”	160,464,311	90.71%
Number of shares voted “against”	1,000	0.00%
Number of invalid shares	0	0.00%
Number of shares voted “abstain”/not voting	16,413,805	9.27%

**Item 4: Proposal to Amend the Company’s Memorandum and Articles of Association.
(To be approved by way of special resolution).**

Explanation:

- (1) To amend and restate the Company’s Memorandum and Articles of Association in compliance with Taiwan laws and referring to the newly amended Article 14 of the Regulations Governing Public Tender Offers for Securities of Public Companies of Republic of China, it is proposed that corresponding articles of the Company’s Memorandum and Articles of Association be amended and adopted as the new Amended and Restated Memorandum and Articles of Association of the Company.
- (2) The comparison table of content of amendment of articles is attached as Attachment 9.
- (3) The English version of the Memorandum and Articles of Association of the Company shall govern if there is any discrepancy between the Chinese and English versions.
- (4) It is proposed to approve the proposal by way of special resolution.

Special Resolution:

The resolution was put to vote by the members. It was resolved by the votes described in the chart below, in favor of approving the proposal.

Total number of voting shares present: 176,879,116		
Voting Result	# of Shares Voted	% of the total represented share present
Number of shares voted “in favor”	160,464,311	90.71%
Number of shares voted “against”	1,000	0.00%
Number of invalid shares	0	0.00%
Number of shares voted “abstain”/not voting	16,413,805	9.27%

VI. Extemporary Motion: None.

VII.Meeting Adjourned

Chairman



Name: Chi-Chuan Chen

Secretary



Name: Tiffany Chu

Tanvex BioPharma, Inc.

2016 Business Report

Exorbitant price of biologics drugs has been a significant financial burden on the healthcare system globally. As the largest single market of biologics drugs, United States is the country facing the highest medical expenditures in the world. Consequently, quality, effective and affordable biosimilar product has emerged as one of the best solution to reduce medical costs all over the world. In 2015, the first biosimilar product (Zarzio, by Sandoz) was approved by US Food and Drug Administration (US FDA). Three more biosimilars products received US FDA approval in 2016. This trend indicates the access to biosimiar industry has begun to open widely in the United States.

Tanvex BioPharma, Inc. (Tanvex) is targeting US biosimilar market, by equipping with vertical integration of in-house process from research and development, manufacturing, commercialization to sales and marketing. In 2016, we have achieved a growth sprint in order to seize the booming of the biosimilar industry. Highlights of our accomplishments are summarized as below:

1. Products and Corporate Development

To fulfill our commitment to shareholders and employees, we have been diligently working on the layout for commercialization. The Products development progress of 2016 highlighted as below:

- **Product Developments**

- **TX01**

It was approved by US FDA on phase III clinical study in September 2016. Scale-up process has been completed and ready for commercialized production.

- **TX05**

Scale-up process has been completed and ready for commercialized production. Phase III clinical study application has been completed. Further discussion with US FDA has been scheduled.

→ **TX16**

Scale-up process has been completed and ready for commercialized production. Investigational New Drug (IND) application was submitted to US FDA in December 2016 and was approved by US FDA to proceed with phase I clinical study in January 2017.

→ **Antibody new drug candidate TX88**

Signed technology licensing agreement with Taipei Medical University on antibody candidate drug GPC-3 which enabled us to enter new drug development field, increase research and development capacity and enhance our product pipelines.

→ As of the end of 2016, the products development status as below:

Product Code	Type	Development Stage (As of 12/31/2016)				
		Preclinical	IND	Phase I	Phase III	BLA
TX01	Bio-similar					
TX05						
TX16						
TX17						
TX88	New Drug					

- **Business Developments**

As our products are entering pivot stages of clinical studies, and soon will be introduced to the market, Tanvex has proactively prepared for the commercialized production, packaging, warehouse, transportation and other logistic requirements. In 2016, we have completed the following constructions:

→ US subsidiary, La Jolla Biologics, Inc. (“LJB”) has completed one 150 Liter Microbial fermenter production line, with space reserved for one more production lines to adapt to future capacity expansion.

→ LJB also has completed four 1,000 Liter Mammalian bioreactor production lines, with space reserved for 6,000 Liter production line to adapt future capacity expansion.

- LJB has completed a fully automated fill finish line and packaging line.
- LJB has leased a new building devoted to administration, research and development labs and warehouse in order to meet the future needs of business operation.
- Taiwan subsidiary (Tanvex Biologics Corporation) has completed expansion on labs and equipment.

2. 2016 Financial Performance and Budget Execution Status

Since our products are still at research and development stage in 2016, no revenue has been generated in the year. 2016 financial performance are analyzed as following:

Unit: NTD in thousands, NTD for loss per share

Description	2016	2015	Variance	% of Variance
Sales and Revenue	0	0	0	0%
Cost of Goods Sold	0	0	0	0%
Operating Expenses	-1,351,518	-831,952	-519,566	62%
Non-operating Income and Expenses	107,098	-3,278	110,376	-3,367%
Income Tax Expense	-26	-25	-1	4%
Net Loss after tax	-1,244,446	-835,255	-409,191	49%
Net Loss Per Share (NT\$)	-6.61	-5.95	-0.66	11%

We have continuously invested in research and development activities and manufacturing capacities in 2016 in order to synchronize with the product development progress. As a result, the net loss of 2016 was NT\$1.2 billion which is NT\$409 million more than 2015. Among the loss, research and development costs counted for NT\$1.1 billion, a 67% increase over last year.

All products developments have been implemented as planned and budgeted NT\$1.6 billion in 2016. In the meantime, we closed NT\$3.3 billion equity financing in March, 2016. Resulted net value per share increased from NT\$8.7 in 2015 to NT\$18.51 in 2016.

Tanvex is not only devoted to improve patients' care, but also committed to increase the company and the shareholders' value. To establish a reputable position in the industry, and attract international investors to build world-wide connections, we submitted public offer application to Taiwan Stock Exchange in November 2016.

3. Outlook

Based on the forecast and analysis reports by Allied Market Research, the total global biosimilar market share was US\$2.25 billion in 2014. It was projected that the market will grow at 49.1% compound annual rate during 2015 to 2020, and will reach \$26.55 billion by 2020. With the expectation of prosperous future of biosimilar, and to take advantage of this unprecedented opportunity, Tanvex will dedicate to complete phase III clinical study for TX01, Phase I clinical study for TX16, and start phase III clinical study for TX05 in 2017. Along with the gradually growth of biosimilar market, and with our core value of trust, innovation, flexibility and persistent efforts, Tanvex's team will continue to committee resources into product development, strengthen our competitive advantage, add to shareholders' value, eventually reach the summit of the international biopharmaceutical industry.

Tanvex BioPharma, Inc.

Execution Status Report on Sound Business Plan For the 4th Quarter, 2016

1. Company Overview

Tanvex BioPharma, Inc. was established in May 8th, 2013, and has two 100 % owned subsidiaries which are La Jolla Biologics, Inc. (“LJB”) in San Diego, CA, U.S.A. and Tanvex Biologics Corporation (“Tanvex Taiwan”) in Xizhi, New Taipei City, Taiwan. (together hereinafter, the “Company”). LJB is mainly engaging in process development and manufacturing of biosimilar products, and, Tanvex Taiwan is focusing on cell line development and initial bioprocess research and development. A representative office was also established in Taipei City, Taiwan to facilitate related operations.

2. Status of Product Development

The Company is committed to the process development, manufacturing and sale and marketing of biosimilar products.

As of the end of December, 2016, the primary projects status is listed as followings:

Product Code	Primary Indication	Development Status
TX01	Neutropenia caused by chemotherapy for cancer	<ul style="list-style-type: none"> • Approved by US FDA on phase III clinical trial in September, 2016. • Phase III clinical trial kicked-off in October, 2016.
TX05	Breast cancer	<ul style="list-style-type: none"> • Phase I Clinical trial completed in Q2, 2016 • Further discussion on Phase III clinical trial and documentation with US FDA has been scheduled.
TX16	Metastatic colorectal cancer and Lung cancer	<ul style="list-style-type: none"> • Submitted the IND to US FDA in December, 2016 • IND Approved by US FDA to start phase I clinical trial in January, 2017
TX17	Rheumatoid arthritis	<ul style="list-style-type: none"> • Process Development
TX88	GPC-3 Antibody new drug candidate for cancer treatment	<ul style="list-style-type: none"> • Preclinical stage

3. 2016 major business activities

For the related business plan execution progress of the Year 2016, please refer to the 2016 Business Report in the Handbook of 2017 Annual General Shareholders’ Meeting of the Company.

4. 2016 Financial Performance

Since our products are still in research and development stage in 2016, we have continuously invested in R&D activities and manufacturing capacities to synchronize with product development progress and timeline. As a result, after the annual audit by CPAs, the net loss after tax is NT\$1.2billion which is NT\$409 million more than 2015. Among the loss, the R&D costs counted for NT\$1.1 billion, a 67% increase over last year.

Meanwhile, Tanvex closed NT\$3.3 billion equity financing in March, 2016 to support its business operation. The net value per share increased from NT\$8.7 in 2015 to NT\$18.51 in 2016. As of the end of 2016, the consolidated net cash balance is approximately NT\$1.3 billion, other current financial assets is NT\$1.6 billion and the total assets valued approximately NT3.9 billion.

As the result after the annual audit performed by CPAs, Tanvex's financial performance of Q4, 2016 has fully met the financial planning in the Sound Business Plan.

Tanvex BioPharma, Inc. Audit Committee's Review Report

March 28, 2017

The Board of Directors has prepared the Company's 2016 business report, Financial Statements and proposal for loss make-up. The CPA firm of PricewaterhouseCoopers Taiwan was retained to audit Tanvex BioPharma, Inc.'s Financial Statements and has issued an unqualified audit report relating to the Financial Statements. The Business Reports, Financial Statements, and proposal for Loss make-up have been reviewed and determined to be correct and accurate by the Audit Committee members of Tanvex BioPharma, Inc. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law, we hereby submit this Report.

Sincerely,

To 2017 Annual General Shareholders' Meeting of Tanvex BioPharma, Inc.

Convener of the Audit Committee
Lee-Chiou Chang

TANVEX BIOPHARMA, INC.

Comparison Table of the Amendment to Rules of Procedures for Board
of Directors Meeting

Article	After Amendment	Before Amendment	Remarks
3	<p>Meetings of Board of Directors and Notice of Meeting</p> <p>The board of directors of the Company shall meet once every quarter.</p> <p>To convene a meeting of the board of directors, a notice specifying the reasons of the meeting shall be given to each director and supervisor no later than 7 days prior to the scheduled meeting date. However, in case of emergency, an extraordinary meeting of the board of directors may be convened at any time.</p> <p>The notice of meeting mentioned in this article may be delivered electronically <u>if agreed by the recipient</u>.</p>	<p>Meetings of Board of Directors and Notice of Meeting</p> <p>The board of directors of the Company shall meet once every quarter.</p> <p>To convene a meeting of the board of directors, a notice specifying the reasons of the meeting shall be given to each director and supervisor no later than 7 days prior to the scheduled meeting date. However, in case of emergency, an extraordinary meeting of the board of directors may be convened at any time.</p> <p>The notice of meeting mentioned in this article may be delivered electronically.</p>	<p>Amendment in accordance with Article 3(3) of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.</p>

REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Tanvex Biopharma, Inc.

We have audited the accompanying consolidated balance sheets of Tanvex Biopharma, Inc. and its subsidiaries as of December 31, 2016 and 2015, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Tanvex Biopharma, Inc. and its subsidiaries as of December 31, 2016 and 2015, and their financial performance and cash flows for the years ended in conformity with the "Rules Governing the Preparation of Financial Statements by Securities Issuers" and International

Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Tseng, Hui-Chin

Teng, Sheng-Wei

and on behalf of PricewaterhouseCoopers, Taiwan

March 28, 2017

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

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation

TANVEX BIOPHARMA, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

Assets			December 31, 2016		December 31, 2015	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,301,659	33	\$ 758,225	48
1200	Other receivables		5,170	-	400	-
1210	Other receivables - related parties	7	-	-	56	-
1410	Prepayments		32,620	1	21,791	2
1476	Other current financial assets	6(2)	1,613,787	42	-	-
11XX	Total current assets		2,953,236	76	780,472	50
Other non-current assets						
1600	Property, plant and equipment	6(3)	832,549	22	704,701	45
1780	Intangible assets	6(4)	57,665	1	59,749	4
1920	Refundable deposits		25,233	1	21,774	1
1990	Other non-current assets		3,669	-	2,718	-
15XX	Total non-current assets		919,116	24	788,942	50
1XXX	Total assets		\$ 3,872,352	100	\$ 1,569,414	100

(Continued)

TANVEX BIOPHARMA, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2016		December 31, 2015	
			AMOUNT	%	AMOUNT	%
Total current liabilities						
2150	Notes payable		\$ 1,934	-	\$ -	-
2200	Other payables	6(5)	231,213	6	99,650	7
2300	Other current liabilities	6(6)	-	-	2,752	-
21XX	Total current liabilities		<u>233,147</u>	<u>6</u>	<u>102,402</u>	<u>7</u>
2600	Non-current liability	6(6)	<u>66,098</u>	<u>2</u>	<u>19,012</u>	<u>1</u>
2XXX	Total Liabilities		<u>299,245</u>	<u>8</u>	<u>121,414</u>	<u>8</u>
Share capital		6(9)				
3110	Common stock		1,929,927	50	1,664,084	106
Capital surplus		6(10)				
3200	Capital surplus		3,776,397	97	563,412	36
Retained earnings		6(11)				
3350	Accumulated deficit		(2,079,701)	(54)	(835,255)	(53)
Other equity interest		6(12)				
3400	Other equity interest		(53,516)	(1)	55,759	3
31XX	Equity attributable to owners					
	of the parent		<u>3,573,107</u>	<u>92</u>	<u>1,448,000</u>	<u>92</u>
3XXX	Total equity		<u>3,573,107</u>	<u>92</u>	<u>1,448,000</u>	<u>92</u>
Significant contingent liabilities		9				
and unrecognised contract						
commitments						
3X2X	Total liabilities and equity		<u>\$ 3,872,352</u>	<u>100</u>	<u>\$ 1,569,414</u>	<u>100</u>

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

TANVEX BIOPHARMA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except for loss per share amounts)

Items	Notes	Year ended December 31			
		2016		2015	
		AMOUNT	%	AMOUNT	%
4000 Operating revenue		\$ -	-	\$ -	-
5000 Operating costs		-	-	-	-
5900 Gross profit from operations		-	-	-	-
Operating expenses					
6200 Administrative expenses	6(15)(16)	(243,529)	-	(169,755)	-
6300 Research and development expenses	6(15)(16) and 7(2)	(1,107,989)	-	(662,197)	-
6000 Total operating expenses		(1,351,518)	-	(831,952)	-
6900 Operating loss		(1,351,518)	-	(831,952)	-
Non-operating income and expenses					
7010 Other income	6(13) and 7	25,648	-	903	-
7020 Other gains and losses	6(14)	81,450	-	(4,181)	-
7000 Total non-operating income and expenses		107,098	-	(3,278)	-
7900 Loss before income tax		(1,244,420)	-	(835,230)	-
7950 Income tax expense	6(17)	(26)	-	(25)	-
8200 Net loss for the year		(\$ 1,244,446)	-	(\$ 835,255)	-
Other comprehensive (loss) income, net					
Components of other comprehensive (loss) income that will not be reclassified subsequently to profit or loss					
8361 Exchange differences on translation of foreign financial statements		(\$ 109,275)	-	\$ 42,423	-
8500 Total comprehensive loss		(\$ 1,353,721)	-	(\$ 792,832)	-
Loss attributable to:					
8610 Owners of the parent		(\$ 1,244,446)	-	(\$ 835,255)	-
Comprehensive loss attributable to:					
8710 Owners of the parent		(\$ 1,353,721)	-	(\$ 792,832)	-
Loss per share	6(18)				
9750 Basic loss per share		(\$ 6.61)		(\$ 5.95)	
9850 Diluted loss per share		(\$ 6.61)		(\$ 5.95)	

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

TANVEX BIOPHARMA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent						
		Capital Surplus					Exchange differences on translation of foreign financial statements	
Notes	Share capital - common stock	Additional paid-in capital	Employee stock options	Others	Accumulated deficit			Total
<u>Year ended December 31, 2015</u>								
Balance at January 1, 2015	\$ 392	\$ 892,095	\$ 20,515	\$ -	(\$ 336,708)	\$ 13,350		\$ 589,644
Issuance of shares	6(9) 105	1,573,395	-	-	-	-		1,573,500
Capital surplus used to offset against accumulated deficit	6(10) -	(336,708)	-	-	336,708	-		-
Issuance of shares from capital surplus	6(10) 1,656,132	(1,656,132)	-	-	-	-		-
Effect of rate exchange in par value	14	-	-	-	-	(14)		-
Compensation cost of employee stock options	6(8) -	-	42,251	-	-	-		42,251
Forfeiture of employee share options	6(8) -	-	(596)	596	-	-		-
	7,441	42,119	(14,123)	-	-	-		35,437
	-	-	-	-	(835,255)	-		(835,255)
	-	-	-	-	-	42,423		42,423
Balance at December 31, 2015	<u>\$ 1,664,084</u>	<u>\$ 514,769</u>	<u>\$ 48,047</u>	<u>\$ 596</u>	<u>(\$ 835,255)</u>	<u>\$ 55,759</u>		<u>\$ 1,448,000</u>
<u>Year ended December 31, 2016</u>								
Balance at January 1, 2016	\$ 1,664,084	\$ 514,769	\$ 48,047	\$ 596	(\$ 835,255)	\$ 55,759		\$ 1,448,000
Issuance of shares	6(9) 260,000	3,068,000	-	-	-	-		3,328,000
Issuance of shares from compensation cost of employee stock options	6(8) -	4,420	-	-	-	-		4,420
Compensation cost of employee stock options	6(8) -	-	132,062	-	-	-		132,062
Forfeiture of employee share options	6(8) -	-	(226)	226	-	-		-
Exercise of employee share options	5,843	14,614	(6,111)	-	-	-		14,346
Loss for the year	-	-	-	-	(1,244,446)	-		(1,244,446)
Other comprehensive loss for the year	-	-	-	-	-	(109,275)		(109,275)
Balance at December 31, 2016	<u>\$ 1,929,927</u>	<u>\$ 3,601,803</u>	<u>\$ 173,772</u>	<u>\$ 822</u>	<u>(\$ 2,079,701)</u>	<u>(\$ 53,516)</u>		<u>\$ 3,573,107</u>

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

TANVEX BIOPHARMA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

		Years ended December 31	
	Notes	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(\$ 1,244,420)	(\$ 835,230)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(15)	104,205	59,250
Amortization	6(15)	13,370	8,132
Compensation cost of employee stock options	6(8)	136,482	42,251
Interest income	6(13)	(10,652)	(444)
Loss on disposal of property, plant and equipment	6(14)	3,207	4,334
Property, plant and equipment transferred to expense		792	2,826
Changes in operating assets and liabilities			
Changes in operating assets			
Other receivables		(4,770)	(238)
Other receivables - related parties		56	56
Prepayments		(10,829)	(6,845)
Changes in operating liabilities			
Notes payable		1,934	(538)
Other payables		122,239	43,882
Other payables - related parties		-	(1,411)
Other current liabilities		(2,752)	570
Non-current liability		47,086	(1,208)
Cash outflow generated from operations		(844,052)	(684,613)
Interest received		10,652	444
Income tax paid	6(17)	(26)	(26)
Net cash flows used in operating activities		(833,426)	(684,195)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of other current financial assets	6(2)	(1,613,787)	-
Acquisition of property, plant and equipment		(238,149)	(359,154)
Proceeds from disposal of property, plant and equipment		4,239	302
Increase in intangible assets		(10,413)	(14,316)
Increase in refundable deposits		(4,138)	(21,076)
Decrease in other receivables		465	-
Increase in other non-current assets		(1,631)	-
Net cash flows used in investing activities		(1,863,414)	(394,244)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance of shares	6(9)	3,328,000	1,573,500
Exercise of employee stock options		14,346	35,437
Net cash flows from financing activities		3,342,346	1,608,937
Effect of exchange rate changes on cash and cash equivalents		(102,072)	24,522
Net increase in cash and cash equivalents		543,434	555,020
Cash and cash equivalents at beginning of year		758,225	203,205
Cash and cash equivalents at end of year		<u>\$ 1,301,659</u>	<u>\$ 758,225</u>

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

TANVEX BIOPHARMA, INC.
2017 (First) Employee Stock Option Plan

1. Plan Objectives

This Tanvex BioPharma, Inc. 2017 (First) Employee Stock Option Plan (the “**Plan**”) is designed to attract and retain the talented/skilled employees needed for development of Tanvex BioPharma, Inc. (the “**Company**”), provide incentives for employees to stay on their jobs, and boost employees’ loyalty to the Company that benefits both the Company and its shareholders.

2. Issuance Period

Within one year after the regulatory approval is received, the employee stock options may be issued and granted in whole or tranches, and following expiration of such one-year period, no employee stock options may be granted under the Plan. The actual issue/grant date(s) will be decided by the Board of Directors of the Company (the “**Board of Directors**”) or a person authorized by the Board of Directors.

3. Eligibility for Options

- a. As of the record date of eligibility, all full-time employees of the Company and its subsidiaries (according to the Statement of the Financial Accounting Standard No. 5, a subsidiary means a company in which the Company, directly or indirectly, holds more than 50% of voting shares) are eligible to participate in the Plan. The record date of eligibility will be decided by the Chairman or a person designated by the Chairman.
- b. Eligible employees and the number of options granted to an employee will be determined based on a number of factors, including seniority, job grade, job performance, contribution, special achievement and other conditions. The grant of options to respective employees will be proposed by the management and approved by the CEO and submitted to the Board of Directors for resolution. If any such employee is an officer or also a director, the grant of options shall be approved by the Compensation Committee and then submitted to the Board of Directors for final approval.
- c. If the Company issues employee stock options pursuant to Article 60(2) of the Regulations Governing the Offering and Issuance of Securities by Foreign Issuers which applies Article 56-1 of the Regulations Governing the Offering and Issuance of Securities by Issuers, the cumulative number of shares subscribable by a single option holder, in combination with the cumulative number of restricted shares granted to the single option holder, shall not exceed 0.3% of the Company’s total issued shares. And the above in combination with the cumulative number of shares subscribable by the single option holder of employee stock options issued pursuant to Article 56(1) of the Regulations Governing the Offering and Issuance of Securities by Issuers, shall not exceed 1% of the Company’s total issued shares. However, with special approval from the central competent authority of the relevant industry, the total number of employee stock options and restricted shares obtained by a

single employee may be exempted from the above-mentioned restriction.

- d. All stock option holders shall comply with the relevant confidentiality agreements and shall not disclose the quantity and contents of stock options to any third party unless requested by the law and the relevant authorities.

4. Volume of Issue

- a. The maximum aggregate number of options that may be issued under the Plan is 6,000 units, where each unit gives the stock option holder the right to purchase 1,000 shares of the Company's common shares. The maximum number of common shares that may be issued pursuant to the Plan is 6,000,000 shares. The maximum aggregate number of common shares available under the Plan may be issued under the Plan pursuant to the exercise of options designated in option agreements as incentive stock options.
- b. The maximum aggregate number of shares which may be purchased by exercising the new options granted under the Plan shall not exceed 10% of the total issued shares of the Company.

5. Terms and Conditions for Exercising Stock Option

- a. Grant price: The grant price shall not be lower than the fair market value of the Company's common shares on the date of issue/grant. For these purposes, the fair market value shall be determined as follows: When the Company shares are traded on the Emerging Market, the fair market value shall be the total value of the Company's common shares traded in the Emerging Market Computerized Price Negotiation and Click System each trading day of the 30-trading-day period preceding the issue/grant date, divided by total number of the Company's common shares traded on the Emerging Market each trading day of the 30-trading-day period preceding the issue/grant date and, in any case, shall not be lower than the net worth per share as shown in the Company's latest financial statements audited or reviewed by a CPA. When the Company shares are listed on the Taiwan Stock Exchange or the Taipei Exchange, the fair market value shall be the closing price of the Company's common shares on the date of issue/grant.
- b. Vesting schedule and exercise period: Starting from the second anniversary of the date of grant of the employee stock option, an option holder is entitled to exercise his stock option rights according to following schedule. The exercise period for the options is ten (10) years from the date of grant of the stock option. Stock option holders may not transfer, pledge, gift or dispose of the options in other ways except by inheritance to their heirs. Upon the expiration of the exercise period, unexercised options are deemed forfeited by the stock option holder.

Schedule	Exercisable stock option percentage
Second anniversary (i.e. starting from the third year of the grant date)	50%

Third anniversary (i.e. starting from the fourth year of the grant date)	75%
Fourth anniversary (i.e. starting from the fifth year of the grant date)	100%

- c. Type of share underlying the options: common shares of the Company.
- d. In the event an option holder's employment is terminated because of his/her breach of the relevant agreements with the Company and/or its subsidiaries or the work rules of the Company and/or its subsidiaries, the Company is entitled to revoke and forfeit any unvested and any vested but unexercised options. In the Company's sole discretion, the Company may decide to allow the stock option holder who is terminated in the above-mention circumstance to exercise his/her vested options within thirty days after the termination of employment.
- e. Except as otherwise provided under an option agreement between the Company and an employee, option holders whose employment is terminated other than "for cause" shall settle their options during the aforesaid exercise period by the following manners:
 - (1) In case of voluntary separation: The stock option holder shall exercise his/her vested options within thirty days after termination of employment, if at all. Upon the expiration of the aforesaid exercise period, unexercised options are deemed forfeited by the stock option holder.
 - (2) In case of retirement or expiry of employment contract: The stock option holder may exercise all options received upon retirement or expiry of employment contract without being subjected to the restrictions specified under Section 5.b, provided that two years have elapsed since the date of grant of such options. However the exercise shall be carried out, if at all, in one year starting from the date of retirement, the expiry of employment contract, or two years after the grant of options, whichever comes later.
 - (3) In case of death of general cause: The heir(s) of the deceased stock option holder may exercise the vested options of said stock option holder within one year starting from the date of death. Upon the expiration of the aforesaid exercise period, unexercised options are deemed forfeited by the heir(s) of such stock option holder. Unvested options of the stock option holder will lapse on the day of death of said stock option holder.
 - (4) In case of occupational casualty: Stock option holders who are unable to remain on the job due to an occupational casualty may, within one year starting from the date of occupational casualty, exercise all options received without being subjected to the restrictions specified under Section 5.b hereof. The heir(s) of a stock option holder who died due to an occupational casualty may exercise all remaining options received

by said stock option holder within one year starting from the date of death without being subjected to the restrictions specified under Section 5.b hereof.

- (5) In case of layoff: Laid-off stock option holder (and who is not terminated “for cause” or otherwise under Section 5.d) shall exercise his/her vested options within thirty days after termination of employment. Upon the expiration of the aforesaid exercise period, unexercised options are deemed forfeited by the stock option holder.
 - (6) The Company will cancel all options forfeited by the stock option holder or revoked by the Company without reissue.
- f. The processing of forfeited stock option rights: The Company will cancel all stock options that are either forfeited by option holders or option rights are not exercised before the expiry date. Such stock options will not be re-issued by the Company.

6. Method for Performance of Contract

Settlement upon the exercise of share options will be made through the issuance of new shares.

7. Adjustment of Exercise Price

- a. After the issuance of the option, in the event that (i) (x) the Company issues any share capital (including but not limited to rights issue, capitalization of retained earnings or capital surplus, issuance of share capital as consideration for a merger or similar event, stock split, rights issue for sponsoring issuances of overseas depositary receipts or issuances of share capital in exchange of share capital or other consideration of another company), the prevailing exercise price shall be adjusted downward in accordance with the following formula (Computation up to decimal one digit of New Taiwan dollars and the fraction is rounded off):

Exercise Price after Adjustment = Exercise Price before Adjustment x $\frac{\text{number of shares issued} + (\text{amount paid for each share} \times \text{number of new shares issued})}{\text{current market price per common share}}$ / (number of shares issued + number of new shares)

Note(1): Number of issued shares means the aggregate of the number of shares already issued by the Company (including the private placement shares), less the number of treasury shares that the Company has bought back but not yet cancelled or transferred.

Note(2): If the exercise price after adjustment exceeds the exercise price before adjustment, no adjustment shall be made.

Note(3): The current market price per common share shall be taken as the simple arithmetic average of the closing prices of the common shares per share of one (1), three (3) or five (5) trading days before the stock dividend record date, the pricing date, the effective date of merger or the effective date of stock split.

- b. If the Company distributes cash dividends for common shares after issuance of the options and such cash dividend per common share represents more than 1.5% of the current market price per common share, the prevailing exercise price shall be adjusted downward in accordance with the following formula (Computation up to decimal one digit of New Taiwan dollars and the fraction is rounded off):

Exercise Price after Adjustment = Exercise Price before Adjustment x (1 – cash dividend per common share / current market price per common share)

Note: The current market price per common share shall be taken as the simple arithmetic average of the closing prices of the common shares per share of one (1), three (3) or five (5) trading days before the announcement date of the book closure period for distribution of cash dividends.

- c. After issuance of the options, upon the occurrence of capital reduction (except for capital reduction for cancellation of treasury shares) of the Company which will cause the outstanding share capital of the Company to decrease, the exercise price shall be adjusted in accordance with the following formula (Computation up to decimal one digit of New Taiwan dollars and the fraction is rounded off):

Exercise Price after Adjustment =
Exercise Price before Adjustment x (Number of Shares Issued before Capital Reduction / Number of Shares Issued after Capital Reduction)

Note: Number of issued shares means the aggregate of the number of shares already issued by the Company, less the number of treasury shares that the Company has bought back but not yet cancelled or transferred.

- d. After issuance of the options, in the event that the Company issues any share capital via private placement, or the Company privately places any securities which are convertible into common shares of the Company, and where the issuance/placement, conversion or subscription price is less than the current market price, the exercise price shall be adjusted downward, not upward, in accordance with 7.a. hereof on the date when the Company delivers these private placement securities.

Note: The current market price per common share shall be taken as the simple arithmetic average of the closing prices of the common shares per share of one (1), three (3) or five (5) trading days before the Company delivers these private placement securities.

8. Procedure for Exercising Options

- a. Except for the book closure period for transfer of shares required under relevant laws and regulations and a period which starts from three (3) business days prior to the record date for distribution of stock, for declaration of cash dividend or for subscription of new shares for capital increase, the option holder may, in accordance with Section 5.b hereof, exercise

the right to purchase shares by submitting the written request (exercise form) to the Company's stock transfer agent.

- b. After the request is accepted by the Company's stock transfer agent, the option holder will be notified for payment at a designated bank. The option holder is unable to ask for a refund or withdraw request once the payment is made. If the option holder fails to make the payment within the designated period, it shall be deemed that the option holder waives his/her right.
- c. Upon confirmation of payment from the Company's stock transfer agent, the agent shall register the number of shares exercised in the shareholders records and, within five (5) business days, issue the shares via the TDCC system.
- d. The new common shares issued by the Company will be available for the Emerging Market trading on the day of delivery to the stock option holder. In an event where the new common shares issued by the Company become listed on the Taiwan Stock Exchange or the Taipei Exchange by law, the aforementioned shares will be listed for trading on the day of delivery to the stock option holder.

9. Rights and Obligations After Exercising Options

After an option holder has exercised his/her options, the common shares issued by the Company will bear the same rights and obligations as the Company's other common shares.

10. Other Important Terms and Conditions

- a. The terms and conditions of the Plan shall be approved the Board of Directors (in a meeting attended by at least two-thirds of all directors and approved by the majority of the attending directors) and become effective after the Company receives the regulatory approval. Any amendments shall be subject to the same approval process. The Board of Directors may amend the Plan to reflect the change to the applicable laws and regulations or change of circumstance and the amended Plan shall become effective after the Company receives the regulatory approval. If the Plan needs to be amended because of the regulator's request during its review process, the Chairman is authorized to amend the Plan and then submit the amended Plan to the Board of Directors for recognition before the Company grants any options. The Plan shall be submitted to the shareholders of the Company for approval within 12 months before or after the date the Plan is adopted.
- b. All times mentioned in the Plan are Taipei Taiwan time.
- c. For matters not specified herein, the option agreement entered into by the Company and each employee and the applicable laws and regulations shall govern.

TANVEX BIOPHARMA, INC.

Comparison Table of the Amendment to Procedures for Acquisition or Disposal of Assets

Article	After Amendment	Before Amendment	Remarks
1	To protect the rights and interests of shareholders and investors, and ensure public disclosure of information, the "Procedures for Acquisition or Disposition of Assets" (the "Procedures") are thus adopted by the Company <u>pursuant to Article 36-1 of the Securities and Exchange Act and the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</u>	To protect the rights and interests of shareholders and investors, and ensure public disclosure of information, the "Procedures for Acquisition or Disposition of Assets" (the "Procedures") are thus adopted by the Company.	To supplement related statutory basis.
3	Terms used in these Regulations are defined as follows: 1.Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, and swap contracts, and compound contracts combining the above products, whose value is derived from assets, interest rates, foreign exchange rates, indexes or other interests. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales)	Terms used in these Regulations are defined as follows: 1.Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, and swap contracts, and compound contracts combining the above products, whose value is derived from assets, interest rates, foreign exchange rates, indexes or other interests. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales)	To delete related definition to consist with the amendment to Article 5 of the Procedures.

Article	After Amendment	Before Amendment	Remarks
	<p>agreements.</p> <p>2.Assets acquired or disposed of in connection with mergers, spin-offs, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, spin-offs, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or shares acquired from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Article 156, paragraph 6 of the Company Act.</p> <p>3.Related party and subsidiary: As defined under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.</p> <p>4. Professional appraiser: Refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.</p> <p>5.Date of occurrence: Refers to the date of contract signing, date of payment, date of</p>	<p>agreements.</p> <p>2.Assets acquired or disposed of in connection with mergers, spin-offs, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, spin-offs, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or shares acquired from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Article 156, paragraph 6 of the Company Act.</p> <p>3.Related party and subsidiary: As defined under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.</p> <p>4.<u>Affiliated companies: Refers to parent companies and all its subsidiaries.</u></p> <p>5. Professional appraiser: Refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.</p>	

Article	After Amendment	Before Amendment	Remarks
	<p>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.</p> <p>6. Mainland China area investment: Refers to investments in Mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in Mainland China area.</p> <p>7. "Most recent financial statement" Refers to the financial statement certified or audited by the certified public accountant in accordance with the Laws prior to the acquisition or disposal of the assets.</p>	<p>6. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.</p> <p>7. Mainland China area investment: Refers to investments in Mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in Mainland China area.</p> <p>8. "Most recent financial statement" Refers to the financial statement certified or audited by the certified public accountant in accordance with the Laws prior to the acquisition or disposal of the</p>	

Article	After Amendment	Before Amendment	Remarks
		assets.	
5	<p>1.The total amount of real property not for business use shall not exceed 50% of the Company's paid-in capital.</p> <p>2.The total amount of investment in securities shall not exceed 300% of the Company's paid-in capital <u>in the most recent financial statements.</u></p> <p>3.The amount of investment in any single security shall not exceed 100% of the Company's paid-in capital <u>in the most recent financial statements.</u></p> <p><u>The limit for acquisition of real property or securities by the Company's subsidiary for non-operating purpose: same as the limit applicable to the Company.</u></p>	<p>1.The total amount of real property not for business use shall not exceed 50% of the Company's paid-in capital.</p> <p>2. The total amount of investment in securities <u>defined in Paragraph 1 of Article 2 which are not owned by affiliated companies (the "Securities")</u> shall not exceed <u>80%</u> of the Company's paid-in capital.</p> <p>3.The amount of investment in any single security <u>not owned by affiliated companies</u> shall not exceed <u>50%</u> of the Company's paid-in capital.</p>	<p>1.To reflect the changes in "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."</p> <p>2.To amend the limit.</p>
6	<p>1.Securities: The Company's acquisition or disposal of Securities with the amount of NT\$30 million or less shall be effective upon approval by the authorized Chairman of the Board; transactions with the amount of over NT\$30 million shall be approved by the resolution of the Board of Directors.</p> <p>2.Related party transactions: With respect to the acquisition</p>	<p>1.Securities: The Company's acquisition or disposal of Securities with the amount of NT\$30 million or less shall be effective upon approval by the authorized Chairman of the Board; transactions with the amount of over NT\$30 million shall be approved by the resolution of the Board of Directors.</p> <p>2.Related party transactions: With respect to the acquisition</p>	<p>1.To reflect the changes in "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."</p> <p>2.To adjust wording.</p> <p>3.To adjust the</p>

Article	After Amendment	Before Amendment	Remarks
	<p>or disposal of business-use equipment between the Company and its subsidiaries, the Company's Board of Directors may delegate the Chairman of the Board to decide such matters when the transaction is within the amount of 1% of the Company's total assets, and have the decisions subsequently submitted to and ratified by the next board of directors meeting.</p> <p>3. Derivatives trading: The Company engaging in derivatives trading shall authorize the relevant personnel to handle in accordance with Paragraph 7, Article 12 of the Procedures, and subsequently submit to the next board of directors meeting.</p> <p>4. <u>Membership or intangible assets: The acquisition or disposal of membership or intangible assets with the amount of less than 10% of the Company's paid-in capital in the most recent financial statements shall be submitted to the CEO for approval; transactions with the amount of 10% or more of the Company's paid-in capital in the most recent</u></p>	<p>or disposal of business-use equipment between the Company and its <u>parent or</u> subsidiaries, the Company's Board of Directors may delegate the Chairman of the Board to decide such matters when the transaction is within the amount of 1% of the Company's total assets, and have the decisions subsequently submitted to and ratified by the next board of directors meeting.</p> <p>3. Derivatives trading: The Company engaging in derivatives trading shall authorize the relevant personnel to handle in accordance with Paragraph 7, Article 12 of the Procedures, and subsequently submit to the next board of directors meeting.</p> <p>4. Others: The Company shall follow the internal control systems and procedures for authority delegated in decision-making. For transactions with the amount of NT\$30 million or less shall be effective upon approval by the authorized Chairman of the Board; transactions with the amount of over NT\$30 million shall be approved by the resolution of the Board of</p>	<p>authorization levels.</p>

Article	After Amendment	Before Amendment	Remarks
	<p><u>financial statements shall be approved by the Board of Directors, or by the authorized Chairman of the Board if falling short of time for prior approval; however the transaction shall be submitted to the latest Board of Directors for ratification.</u></p> <p>5. Others: The Company shall follow the internal control systems and procedures for authority delegated in decision-making. For transactions with the amount of NT\$30 million or less shall be effective upon approval by the authorized Chairman of the Board; transactions with the amount of over NT\$30 million shall be approved by the resolution of the Board of Directors. Any transaction as stipulated in Article 185 of the Company Act shall be approved by the shareholders meeting.</p> <p>When the transactions for the acquisition or disposal of assets are submitted to the Board of Directors for discussion, the board of directors shall take into full consideration of each independent director's opinions. If an independent director objects to or expresses</p>	<p>Directors. Any transaction as stipulated in Article 185 of the Company Act shall be approved by the shareholders meeting.</p> <p><u>For transactions which shall be submitted to the Board of Directors for approval pursuant to the Company's Procedures for Acquisition or Disposal of Assets or other laws, if any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to the Audit Committee.</u></p> <p>When the transactions for the acquisition or disposal of assets are submitted for discussion by the Board of Directors, the board of directors shall take into full consideration of each independent director's opinions and it shall be recorded in the minutes of the board of directors meeting.</p>	

Article	After Amendment	Before Amendment	Remarks
	<p>reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p><u>When the Company establishes the Audit Committee pursuant to relevant regulations, transactions of material assets or derivatives shall be approved by more than half of all Audit Committee members and submitted to the board of directors for resolution.</u></p> <p><u>If a matter is not approved by more than half of all Audit Committee members as required in the preceding paragraph, such matter could be approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the board of directors meeting.</u></p> <p><u>The terms "all audit committee members" in paragraph 4 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</u></p>		
7	<p>1.Acquisition or disposition of Securities:</p> <p>(1) Procedures: Finance and Accounting Department shall</p>	<p>1.Acquisition or disposition of Securities:</p> <p>(1) Procedures: Finance and Accounting Department shall</p>	<p>To reflect the changes in "Regulations Governing the</p>

Article	After Amendment	Before Amendment	Remarks
	<p>analyze the reasons for acquisition or disposition of securities, transaction target, reference price, etc. for benefits analysis and potential risk evaluation in accordance with the Company's internal control systems and procedures for authority delegated in decision-making.</p> <p>(2) Method of price determination:</p> <p>(i) Price for securities purchased or sold in the centralized exchange market or OTC market shall be determined by the fair market price of the securities at the time of transaction.</p> <p>(ii) Price for securities not acquired or disposed in the centralized exchange market or OTC market shall be determined by its book value per share, profitability, development potentials, and fair market value at the time of transaction.</p> <p>(3) Reference of price: The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain in advance financial</p>	<p>analyze the reasons for acquisition or disposition of securities, transaction target, reference price, etc. for benefits analysis and potential risk evaluation in accordance with the Company's internal control systems and procedures for authority delegated in decision-making.</p> <p>(2) Method of price determination:</p> <p>(i) Price for securities purchased or sold in the centralized exchange market or OTC market shall be determined by the fair market price of the securities at the time of transaction.</p> <p>(ii) Price for securities not acquired or disposed in the centralized exchange market or OTC market shall be determined by its book value per share, profitability, development potentials, and fair market value at the time of transaction.</p> <p>(3) Reference of price: The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain in advance financial</p>	Acquisition and Disposal of Assets by Public Companies."

Article	After Amendment	Before Amendment	Remarks
	<p>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. If the dollar amount of the transaction reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the engaged certified public accountant needs to adopt experts' report, it shall be done in accordance with the provisions of Statement of Auditing Standards No. 20 published by the R.O.C. Accounting Research and Development Foundation (the "ARDF"). This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission.</p> <p>(4) <u>Where the Company acquires or disposes of</u></p>	<p>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. If the dollar amount of the transaction reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the engaged certified public accountant needs to adopt experts' report, it shall be done in accordance with the provisions of Statement of Auditing Standards No. 20 published by the R.O.C. Accounting Research and Development Foundation (the "ARDF"). This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the <u>competent authority of securities</u>.</p>	

Article	After Amendment	Before Amendment	Remarks
	<p><u>assets through court auction procedures, the evidentiary documentation issued by the court may replace the appraisal report or CPA opinion.</u></p> <p>2.Acquisition or disposition of real property or <u>equipment</u>:</p> <p>(1) Procedures: Finance and Accounting Department shall analyze the feasibility of acquisition or disposition of real property or <u>equipment</u>, indicate the reasons for such acquisition or disposition, the target, transactional party, transfer price, payment and collection terms and reference price, etc., in accordance with the Company's internal regulations, to responsible levels and submit to the Company's internal control systems and procedures for authority delegated in decision-making.</p> <p>(2) Method of price determination: Acquisition or disposition of real property or <u>equipment</u> shall be conducted with price comparison, price negotiation, invitation to tender or other methods.</p> <p>(3) Reference of price: When the transaction amount of</p>	<p>2.Acquisition or disposition of real property or <u>other assets</u>:</p> <p>(1) Procedures: Finance and Accounting Department shall analyze the feasibility of acquisition or disposition of real property or <u>other assets</u>, indicate the reasons for such acquisition or disposition, the target, transactional party, transfer price, payment and collection terms and reference price, etc., in accordance with the Company's internal regulations, to responsible levels and submit to the Company's internal control systems and procedures for authority delegated in decision-making.</p> <p>(2) Method of price determination: Acquisition or disposition of real property or <u>other assets</u> shall be conducted with price comparison, price negotiation, invitation to tender or other methods.</p> <p>(3) Reference of price: When the transaction amount of</p>	

Article	After Amendment	Before Amendment	Remarks
	<p>acquisition or disposition of real property or equipment reaches 20 percent of the company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(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, and the same procedure shall be followed for any future changes to the terms and conditions of the transaction.</p> <p>(ii) Where the transaction amount is NT\$1 billion or more, appraisals from</p>	<p>acquisition or disposition of real property or equipment <u>which reaches the amount that public announcement and regulatory filing are required</u> reaches 20 percent of the company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(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, and the same procedure shall be followed for any future changes to the terms and conditions of the</p>	

Article	After Amendment	Before Amendment	Remarks
	<p>two or more professional appraisers shall be obtained.</p> <p>(iii) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, except that, in the event of acquisition, the appraisal results for acquired assets are higher than actual transaction amounts, or, in the event of disposition, the appraisal results for disposed assets are lower than actual transaction amounts, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the R.O.C. Accounting Research and Development Foundation (the "ARDF") and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>A. The discrepancy</p>	<p>transaction.</p> <p>(ii) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>(iii) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, except that, in the event of acquisition, the appraisal results for acquired assets are higher than actual transaction amounts, or, in the event of disposition, the appraisal results for disposed assets are lower than actual transaction amounts, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the R.O.C. Accounting Research and Development Foundation (the "ARDF") and render a specific opinion regarding the reason for</p>	

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	<p>between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>B. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>(iv) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>3. <u>Membership or intangible assets:</u></p> <p>(1) <u>Transaction procedures:</u></p> <p><u>Responsible department shall refer to an expert valuation report or the fair market value to determine the terms and price and produce an analysis report</u></p>	<p>the discrepancy and the appropriateness of the transaction price:</p> <p>A. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>B. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>(iv) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p>	

Article	After Amendment	Before Amendment	Remarks
	<p><u>indicating the reasons for such acquisition or disposition, the target, counterparty, purchase price, payment terms and reference price, etc., then conduct the transaction in accordance with the Company's internal control system and procedures for delegation of authority in decision-making.</u></p> <p>(2) <u>Reference of price:</u></p> <p>(i) <u>When the transaction amount of acquisition or disposition of membership or an intangible asset reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a government agency, shall engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. The engaged certified public accountant shall follow the provisions of Statement of Auditing</u></p>		

Article	After Amendment	Before Amendment	Remarks
	<p><u>Standards No. 20 published by the R.O.C. Accounting Research and Development Foundation (the "ARDF")</u></p> <p>(ii) <u>Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may replace the appraisal report or CPA opinion.</u></p>		
9	<p>When the Company acquires real property from or disposes real property to a related party, or acquiring from or disposing to a related party the assets other than real property, in which the actual transaction amount reaches 20 percent of the Company's paid-in capital, or 10 percent of the Company's total assets, or NT\$300 million, <u>except in trading of government bonds or bonds under repurchase and resale agreements, or subscription to or repurchase of domestic money market funds,</u> the following information should be <u>first approved by more than half of the Audit Committee members and</u> submitted to Board of Directors <u>for</u></p>	<p>When the Company acquires real property from or disposes real property to a related party, or acquiring from or disposing to a related party the assets other than real property, in which the actual transaction amount reaches 20 percent of the Company's paid-in capital, or 10 percent of the Company's total assets, or NT\$300 million, the following information should be submitted to Board of Directors <u>and the Audit Committee for ratification</u> before executing the deal contracts and making payments:</p> <p>1.The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.</p> <p>2.The reason for choosing the</p>	To reflect the changes in "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."

Article	After Amendment	Before Amendment	Remarks
	<p><u>resolution</u> before executing the deal contracts and making payments:</p> <ol style="list-style-type: none"> 1.The purpose, necessity and anticipated benefit of the acquisition or disposal of assets. 2.The reason for choosing the related party as a trading counterparty. 3.In the case of acquisition of real property from a related party, relevant information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 10 and Article 11. 4.The date and price at which the related party originally acquired the real property, the original trading counterparty, and that trading counterparty's relationship to the company and the related party. 5.Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization. 6.The professional appraiser's appraisal report or the certified public accountant's 	<p>related party as a trading counterparty.</p> <ol style="list-style-type: none"> 3.In the case of acquisition of real property from a related party, relevant information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 10 and Article 11. 4.The date and price at which the related party originally acquired the real property, the original trading counterparty, and that trading counterparty's relationship to the company and the related party. 5.Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization. 6.The professional appraiser's appraisal report or the certified public accountant's opinion obtained in accordance with Article 7. 7.Restrictive covenants and other important stipulations associated with the transaction. <p>Calculation of the aforementioned transaction</p>	

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	<p>opinion obtained in accordance with Article <u>10</u>.</p> <p>7.Restrictive covenants and other important stipulations associated with the transaction.</p> <p>Calculation of the aforementioned transaction amount should be conducted pursuant to paragraph 2 of Article 14. "Within the preceding year" refers to the year preceding the date of occurrence of the current transaction. Items duly submitted for approval by resolution passed by the Audit Committee and the Board of Directors need not be counted into the transaction amount.</p> <p><u>When the transactions submitted to the Board of Directors for discussion in accordance with the preceding paragraph, the board of directors shall take into full consideration of each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</u></p>	<p>amount should be conducted pursuant to paragraph 2 of Article 14. "Within the preceding year" refers to the year preceding the date of occurrence of the current transaction. Items duly submitted for approval by resolution passed by the Audit Committee and the Board of Directors need not be counted into the transaction amount.</p>	
11	<p>1.(Omitted)</p> <p>2.Where acquiring real property from a related party and the</p>	<p>1.(Omitted)</p> <p>2.Where acquiring real property from a related party and the</p>	To reflect the changes in "Regulations

Article	After Amendment	Before Amendment	Remarks
	<p>results of appraisals conducted in accordance with Article 10 are uniformly lower than the transaction price and none of the circumstances stipulated in paragraph 1 of this Article exists, the following steps shall be taken:</p> <p>(1) A special reserve shall be set aside in accordance with paragraph 1, Article 41 of the Act against the difference between the real property transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where a public company uses the equity method to account for its investment in <u>the Company</u>, <u>a special reserve shall also be set aside</u> pro rata in a proportion consistent with the share of public company's equity stake in the <u>Company</u>. <u>The</u> special reserve <u>set aside</u> under the preceding regulation may not <u>be utilized</u> until <u>the Company</u> has recognized a loss on decline in market value of the assets it purchased at a premium, or they have been disposed of, or adequate compensation has been made, or the status</p>	<p>results of appraisals conducted in accordance with Article 10 are uniformly lower than the transaction price and none of the circumstances stipulated in paragraph 1 of this Article exists, the following steps shall be taken:</p> <p>(1) A special reserve shall be set aside in accordance with paragraph 1, Article 41 of the Act against the difference between the real property transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where a public company uses the equity method to account for its investment in <u>another company</u>, <u>then the special reserve called for under Article 41, paragraph 1 of the Act shall be set aside</u> pro rata in a proportion consistent with the share of public company's equity stake in the <u>other company</u>. <u>A company that has set aside a special reserve</u> under the preceding regulation may not <u>utilize the special reserve</u> until <u>it</u> has recognized a loss on decline in market value of the assets it purchased at a premium, or</p>	Governing the Acquisition and Disposal of Assets by Public Companies."

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	<p>quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the competent authority has given its consent.</p> <p>(2) The Audit Committee shall comply with Article 218 of the Company Act.</p> <p>(3) Actions taken pursuant to subparagraphs 1 and 2 shall be reported to shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.</p> <p><u>When the Company acquires real property from a related party, it shall also comply with the subparagraph 2 of this Article if there is other evidence indicating that the acquisition was not an arms length transaction.</u></p>	<p>they have been disposed of, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the competent authority has given its consent.</p> <p>(2) The Audit Committee shall comply with Article 218 of the Company Act.</p> <p>(3) Actions taken pursuant to subparagraphs 1 and 2 shall be reported to shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.</p>	
13	<p>1.The Company conducting a merger, spin-off, acquisition, or transfer of shares, prior to convening the board of directors to resolve on the matter, shall engage a certified public accountant, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio,</p>	<p>1.The Company conducting a merger, spin-off, acquisition, or transfer of shares, prior to convening the board of directors to resolve on the matter, shall engage a certified public accountant, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio,</p>	<p>To reflect the changes in "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."</p>

Article	After Amendment	Before Amendment	Remarks
	<p>acquisition price, or distribution of cash or other property to shareholders, and submit it to the board of directors for deliberation and passage. <u>But where the Company conducting a merger with its subsidiary whose hundred percent of the total number of the issued shares or the total capital is directly or indirectly held by the Company, or in case of a merger between the Company's subsidiaries whose hundred percent of the total number of the issued shares or the total capital is directly or indirectly held by the Company, the Company may be exempted from obtaining such expert opinion on the reasonableness.</u></p> <p>2. The Company participating in a merger, spin-off, acquisition, or transfer of shares shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, spin-off, or acquisition prior to the shareholders meeting and include it along with the expert opinion when</p>	<p>acquisition price, or distribution of cash or other property to shareholders, and submit it to the board of directors for deliberation and passage.</p> <p>2. The Company participating in a merger, spin-off, acquisition, or transfer of shares shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, spin-off, or acquisition prior to the shareholders meeting and include it along with the expert opinion when</p>	

Article	After Amendment	Before Amendment	Remarks
	<p>sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, spin-off, or acquisition. Provided, where a provision of another act exempts the Company from convening a shareholders meeting to approve the merger, spin-off, or acquisition, this restriction shall not apply. Where the shareholders meeting of <u>any of the companies participating in a merger, spin-off, acquisition</u> fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the Company shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders meeting.</p> <p>3.A company participating in a merger, spin-off, or acquisition shall convene a board of directors meeting and shareholders meeting on the day of the transaction to resolve matters relevant to the merger, spin-off, or acquisition, unless another</p>	<p>sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, spin-off, or acquisition. Provided, where a provision of another act exempts the Company from convening a shareholders meeting to approve the merger, spin-off, or acquisition, this restriction shall not apply. Where the shareholders meeting of the <u>Company</u> fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the Company shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders meeting.</p> <p>3.A company participating in a merger, spin-off, or acquisition shall convene a board of directors meeting and shareholders meeting on the day of the transaction to resolve matters relevant to the merger, spin-off, or acquisition, unless another</p>	

Article	After Amendment	Before Amendment	Remarks
	<p>act provides otherwise or the <u>Financial Supervisory Commission</u> is notified in advance of extraordinary circumstances and grants consent. A company participating in transfer of shares shall convene a board of directors meeting on the day of the transaction unless another act provides otherwise or the <u>Financial Supervisory Commission</u> is notified in advance of extraordinary circumstances and grants consent.</p> <p>4. Every person participating in or privy to the plan for merger, spin-off, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, spin-off, acquisition, or transfer of shares.</p> <p>5. When participating in a merger, spin-off, acquisition, or transfer of another company's shares, a</p>	<p>act provides otherwise or the <u>Securities and Futures Bureau</u> is notified in advance of extraordinary circumstances and grants consent. A company participating in transfer of shares shall convene a board of directors meeting on the day of the transaction unless another act provides otherwise or the <u>Securities and Futures Bureau</u> is notified in advance of extraordinary circumstances and grants consent.</p> <p>4. Every person participating in or privy to the plan for merger, spin-off, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, spin-off, acquisition, or transfer of shares.</p> <p>5. When participating in a merger, spin-off, acquisition, or transfer of another company's shares, a</p>	

Article	After Amendment	Before Amendment	Remarks
	<p>company that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following information and retain it for 5 years for reference:</p> <p>(1) Basic identification data for personnel: 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, spin-off, acquisition, or transfer of another company's shares prior to disclosure of the information.</p> <p>(2) Dates of material events: including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a board of directors meeting.</p> <p>(3) Important documents and minutes: including merger, spin-off, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of</p>	<p>company that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following information and retain it for 5 years for reference:</p> <p>(1) Basic identification data for personnel: 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, spin-off, acquisition, or transfer of another company's shares prior to disclosure of the information.</p> <p>(2) Dates of material events: including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a board of directors meeting.</p> <p>(3) Important documents and minutes: including merger, spin-off, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of</p>	

Article	After Amendment	Before Amendment	Remarks
	<p>board of directors meetings.</p> <p>(4) When participating in a merger, spin-off, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall, within 2 days commencing immediately from the date of passage of a resolution by the board of directors, report in the prescribed format and via the Internet-based information system the <u>basic identification data of the above-mentioned personnel and dates of material events</u> to the FSC for recordation.</p> <p>Where any of the companies participating in a merger, spin-off, acquisition, or assumption of another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the company(s) so listed or traded shall sign an agreement with such company whereby the latter is required to abide by the preceding provisions.</p> <p>6. <u>When participating in a merger, spin-off, acquisition, or assumption</u></p>	<p>board of directors meetings.</p> <p>(4) When participating in a merger, spin-off, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall, within 2 days commencing immediately from the date of passage of a resolution by the board of directors, report in the prescribed format and via the Internet-based information system the <u>information set out in subparagraphs 1 and 2 of this Article</u> to the FSC for recordation.</p> <p>6. <u>A</u> company may not arbitrarily alter the share exchange ratio or acquisition price unless</p>	

Article	After Amendment	Before Amendment	Remarks
	<p><u>of another company's shares, the</u> Company may not arbitrarily alter the share exchange ratio or acquisition price unless under the below-listed circumstances, and shall stipulate the circumstances permitting alteration in the contract for the merger, spin-off, acquisition, or transfer of shares:</p> <p>(1) Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.</p> <p>(2) An action, such as a disposal of major assets, that affects the company's financial operations.</p> <p>(3) An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.</p> <p>(4) An adjustment where any of the companies participating in the merger, spin-off, acquisition, or transfer of shares from another company, buys back treasury stock.</p>	<p>under the below-listed circumstances, and shall stipulate the circumstances permitting alteration in the contract for the merger, spin-off, acquisition, or transfer of shares:</p> <p>(1) Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.</p> <p>(2) An action, such as a disposal of major assets, that affects the company's financial operations.</p> <p>(3) An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.</p> <p>(4) An adjustment where any of the companies participating in the merger, spin-off, acquisition, or transfer of shares from another company, buys back treasury stock.</p> <p>(5) An increase or decrease in the number of entities or companies participating in the merger, spin-off, acquisition, or transfer of</p>	

Article	After Amendment	Before Amendment	Remarks
	<p>(5) An increase or decrease in the number of entities or companies participating in the merger, spin-off, acquisition, or transfer of shares.</p> <p>(6) Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.</p> <p>7.(Omitted)</p> <p>8.After public disclosure of the information, if the Company participating in the merger, spin-off, acquisition, or share transfer intends further to carry out a merger, spin-off, acquisition, or share transfer with another company, <u>each of the participating companies</u> shall carry out anew the procedures or legal actions that had originally been completed toward the merger, spin-off, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders meeting has adopted a resolution authorizing the board of directors to alter the limits of authority, such company may be exempted from calling another shareholders meeting to</p>	<p>shares.</p> <p>(6) Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.</p> <p>7.(Omitted)</p> <p>8.After public disclosure of the information, if the Company participating in the merger, spin-off, acquisition, or share transfer intends further to carry out a merger, spin-off, acquisition, or share transfer with another company, <u>it</u> shall carry out anew the procedures or legal actions that had originally been completed toward the merger, spin-off, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders meeting has adopted a resolution authorizing the board of directors to alter the limits of authority, such company may be exempted from calling another shareholders meeting to resolve on the matter anew.</p>	

Article	After Amendment	Before Amendment	Remarks
	<p>resolve on the matter anew.</p> <p>9. Where any of the companies participating in a merger, spin-off, acquisition, or transfer of shares is not a public company, the Company shall sign an agreement with the non-public company whereby the latter is required to abide by paragraphs 3 to <u>4</u> and 8 of this Article.</p>	<p>9. Where any of the companies participating in a merger, spin-off, acquisition, or transfer of shares is not a public company, the Company shall sign an agreement with the non-public company whereby the latter is required to abide by paragraphs 3 to <u>5</u> and 8 of this Article.</p>	
14	<p>1. Under any of the following circumstances, a company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC designated website in the appropriate format as prescribed by regulations within 2 days commencing immediately from the date of occurrence of the event:</p> <p>(1) Acquired or disposed real property from a related party, or acquiring or disposing assets other than real property from a related party in which transaction amount reaches 20 percent of the company's paid-in capital, or 10 percent of the company's total assets, or NT\$300 million. However, trading of government bonds and trading of bonds under</p>	<p>1. Under any of the following circumstances, a company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC designated website in the appropriate format as prescribed by regulations within 2 days commencing immediately from the date of occurrence of the event:</p> <p>(1) Acquired or disposed real property from a related party, or acquiring or disposing assets other than real property from a related party in which transaction amount reaches 20 percent of the company's paid-in capital, or 10 percent of the company's total assets, or NT\$300 million. However, trading of government bonds and trading of bonds under</p>	<p>To reflect the changes in "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."</p>

Article	After Amendment	Before Amendment	Remarks
	<p>repurchase / resale agreements, subscription <u>to</u> or <u>repurchase</u> of money market funds <u>issued by domestic securities investment trust enterprises</u> shall not apply.</p> <p>(2) Merger, spin-off, acquisition, or transfer of shares.</p> <p>(3) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the Procedures.</p> <p><u>(4) Acquiring or disposing business-use equipment with a counterparty other than a related party, and the transaction amount reaches any of the following amount:</u></p> <p>(i) <u>For a public company with paid-in capital below NT\$10 billion, the transaction amount is more than NT\$500 million.</u></p> <p>(ii) <u>For a public company with paid-in capital over NT\$10 billion, the transaction amount is more than NT\$1 billion.</u></p> <p>(iii) <u>Where a public company in the business of construction</u></p>	<p>repurchase / resale agreements, subscription or <u>redemption</u> of <u>domestic</u> money market funds shall not apply.</p> <p>(2) Merger, spin-off, acquisition, or transfer of shares.</p> <p>(3) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the Procedures.</p>	

Article	After Amendment	Before Amendment	Remarks
	<p><u>conducting acquisition or disposal of real property for construction use with a counterparty other than a related party, the transaction amount is more than NT\$500 million.</u></p> <p>(iv) <u>Where a land is acquired under an arrangement for commissioned construction on self-owned land, commissioned construction on rental land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, the amount the Company expects to invest in the transaction in an amount of more than NT\$500 million.</u></p> <p>(5) <u>Where a public company in the business of construction conducting acquisition or disposal of real property for construction use with a counterparty other than a</u></p>		

Article	After Amendment	Before Amendment	Remarks
	<p><u>related party, and the transaction amount is more than NT\$500 million.</u></p> <p>(6) <u>Where a land is acquired under an arrangement for commissioned construction on self-owned land, commissioned construction on rental land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the amount the Company expects to invest in the transaction in an amount of more than NT\$500 million.</u></p> <p>(7) Where an asset transaction other than any of those referred to in the preceding <u>six</u> subparagraphs, or a disposal of receivables by a financial institution, or engaging in investment in Mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>(1) Trading of government bonds.</p> <p>(2) <u>Where the Company is in professional investment</u></p>	<p>(4) Where an asset transaction other than any of those referred to in the preceding <u>three</u> subparagraphs, or a disposal of receivables by a financial institution, or engage in investment in Mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>(1) Trading of government bonds.</p>	

Article	After Amendment	Before Amendment	Remarks
	<p><u>business, securities trading on foreign or domestic securities exchanges or over-the-counter markets, subscription to ordinary corporate bonds and other non-equity linked bank notes issued in the domestic primary market, or for underwriting business or as an advisor of emerging stocks, recommendation of securities subscription in accordance with provisions set forth by the Taipei Exchange.</u></p> <p>(3) Trading of bonds under repurchase / resale agreements or subscription <u>to or repurchase</u> of money market funds <u>issued by domestic securities investment trust enterprises.</u></p>	<p>(2) Trading of bonds under repurchase / resale agreements or subscription or <u>redemption</u> of <u>domestic</u> money market funds.</p> <p>(3) <u>Where the type of asset acquired or disposed is equipment for business use, the trading counterparty is not a related party, and the transaction amount is less than NT\$500 million.</u></p> <p>(4) <u>Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing</u></p>	

Article	After Amendment	Before Amendment	Remarks
	<p>2. (Omitted)</p> <p>3. (Omitted)</p> <p>4. The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by itself and any <u>of the Company's</u> subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the <u>Financial Supervisory Commission</u> by the 10th day of each month.</p> <p>5. When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety <u>within two days from the date of knowledge.</u></p> <p>6. The Company acquiring or</p>	<p><u>units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the amount is less than NT\$500 million (based on the company's expected input amount).</u></p> <p>2. (Omitted)</p> <p>3. (Omitted)</p> <p>4. The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by itself 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 <u>Securities and Futures Bureau</u> by the 10th day of each month.</p> <p>5. When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety.</p> <p>6. The Company acquiring or</p>	

Article	After Amendment	Before Amendment	Remarks
	<p>disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and certified public accountant, attorney, and securities underwriter opinions at the company headquarters, where they shall be retained for 5 years except where another act provides otherwise.</p> <p>7. Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported, a public report of relevant information shall be made on the information reporting website designated by the <u>Financial Supervisory Commission</u> within 2 days commencing immediately from the date of occurrence of the event:</p> <p>(1) Change, termination, or rescission of a contract signed in regard to the original transaction.</p> <p>(2) The merger, spin-off, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.</p> <p>(3) Change to the originally publicly announced and reported information.</p>	<p>disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and certified public accountant, attorney, and securities underwriter opinions at the company headquarters, where they shall be retained for 5 years except where another act provides otherwise.</p> <p>7. Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported, a public report of relevant information shall be made on the information reporting website designated by the <u>Securities and Futures Bureau</u> within 2 days commencing immediately from the date of occurrence of the event:</p> <p>(1) Change, termination, or rescission of a contract signed in regard to the original transaction.</p> <p>(2) The merger, spin-off, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.</p> <p>(3) Change to the originally publicly announced and reported information.</p>	

Article	After Amendment	Before Amendment	Remarks
15	<p>1.Subsidiaries shall adopt and act in accordance with procedures for acquisition or disposal of assets.</p> <p>2.When the assets acquired or disposed by a non-public subsidiary reach the amount that a public announcement and regulatory filing are required, the Company should also make the required public announcement and regulatory filing. The standard of "reaching 20% of paid-in capital or 10% of the total assets" for the subsidiary making announcement and filing should be calculated based on the Company's paid-in capital or total assets.</p> <p>3.Subsidiaries shall self-evaluate whether their procedures for acquisition or disposal of assets are in accordance with relevant laws and regulations, and whether their acquisition or disposal of assets are in accordance with provisions prescribed in the procedures they adopted.</p> <p>4.Internal audit personnel shall check the subsidiaries' self-evaluation reports, and other relevant matters.</p>	<p>1.Subsidiaries shall adopt and act in accordance with procedures for acquisition or disposal of assets.</p> <p>2.When the assets acquired or disposed by a non-public subsidiary reach the amount that a public announcement and regulatory filing are required, the Company should also make the required public announcement and regulatory filing. The standard of "reaching 20% of paid-in capital or 10% of the total assets" for the subsidiary making announcement and filing should be calculated based on the Company's paid-in capital or total assets.</p> <p>3.Subsidiaries shall self-<u>examine</u> whether their procedures for acquisition or disposal of assets are in accordance with relevant laws and regulations, and whether their acquisition or disposal of assets are in accordance with provisions prescribed in the procedures they adopted.</p> <p>4.Internal audit personnel shall check the subsidiaries' self-<u>examination</u> reports, and other relevant matters.</p>	To reflect the changes in "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."
17	<p>1.The Procedures and any amendment hereto shall be effective upon approval by the</p>	<p>1.The Procedures and any amendment hereto shall be effective upon approval by the</p>	1.To reflect the changes in "Regulations

Article	After Amendment	Before Amendment	Remarks
	<p>resolution of the Board of Directors and the Audit Committee, subject to the ordinary resolution in the general meeting.</p> <p><u>2. When the Company's Procedures for Acquisition or Disposal of Assets are submitted to the board of directors for discussion pursuant to relevant rules, the board of directors shall take into full consideration of each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</u></p> <p><u>3. When the Company establishes the Audit Committee pursuant to relevant regulations, adoption and amendment of the Procedures for Acquisition or Disposal of Assets shall be approved by more than half of all Audit Committee members and submitted to the board of directors for resolution. If approval of more than half of all audit committee members is not obtained, the adoption or amendment</u></p>	<p>resolution of the Board of Directors and the Audit Committee, subject to the ordinary resolution in the general meeting. <u>If any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to the Audit Committee and general meeting for discussion. After the adoption of the Procedures, if any law or regulations amends, the Procedures shall be amended accordingly, and approved by resolutions of the Audit Committee, Board of Directors, and the shareholders meeting in accordance with relevant laws and regulations.</u></p> <p>2. For matters not prescribed in the Procedures, related regulations and other internal rules of the Company shall govern.</p>	<p>Governing the Acquisition and Disposal of Assets by Public Companies."</p> <p>2. To adjust wording.</p>

Article	After Amendment	Before Amendment	Remarks
	<p><u>of the Procedures may be approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the board of directors meeting.</u></p> <p><u>The terms "all audit committee members" and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</u></p> <p>4. For matters not prescribed in the Procedures, related regulations and other internal rules of the Company shall govern.</p>		

Tanvex BioPharma, Inc.

Proposal to Release the Non-Competition Prohibition for Board Directors

Board Director's Name	Concurrent Position and Company Served
Peng Lin Investment Co., Ltd. Representative: Chen, Chi-Chuan	<ul style="list-style-type: none"> • Representative of corporate Board director, Tanvex Biologics Corporation. • Representative of Corporate Board Director, OBI Pharma, Inc. • Representative of corporate Board director, Mithra Biotechnology Inc. • Representative of corporate Board director, Mass Solutions Technology Co., Ltd. • Representative of corporate Board director, Amaran Biotechnology, Inc. • Representative of corporate Board director, Cho Pharma Inc. • Representative of corporate Board director, Diamond Biofund Inc. • Representative of corporate Board director, Diamond Capital Inc. • Representative of corporate Board director, Xinyao Biologics Investment Inc. • Representative of corporate Board director of Advanced Lithium Electrochemistry • Representative of corporate Board director, Unicon Vision Inc. • Representative of corporate Board director, Empire Vision Inc. • Representative of corporate Board director, Brogent Technology Inc. • Representative of corporate Board director, Mega Growth Investment Inc. • Representative of corporate Board director, Cotton Field Organic Co., Ltd. • Representative of corporate Board director, RENBIO, Inc. • Representative of corporate Board director, RenBio Holdings Limited • Board Director of Search MediaBiologics • Supervisor, Kang Sheng Recruiting Co., Ltd. • Supervisor, Sunny Friend Environmental Technology Co., Ltd. • Representative of corporate supervisor, Ruenfu New Life • Representative of corporate supervisor, Gogoro Taiwan Limited • Representative of corporate supervisor, RT Mart International Limited • Representative of corporate supervisor, Ruentex Industries Limited • Representative of corporate supervisor, Ruen Chen Investment Holding Co., Ltd.
Peng Lin Investment Co., Ltd. Representative: Cho, Lung-Yeh	<ul style="list-style-type: none"> • Executive Assistant to CEO, Ruentex Group • Representative of Corporate Board Director, OBI Pharma, Inc. • Representative of Corporate Board Director, Renbio, Inc. • Representative of Corporate Board Director, RenBio Holdings Limited • Representative of Corporate Board Director, TaiMed Biologics Inc. • Supervisor, Ruenhui Biopharmaceuticals Inc.

Board Director's Name	Concurrent Position and Company Served
Allen Chao and Lee Hwa Chao Family Trust Representative: Allen Chao	<ul style="list-style-type: none"> • Chairman, Tanvex Biologics Corp. • Chairman, Tanvex Biologics Inc. • Chairman, Anson BioPharma Inc. • Board Director, Impax Lab., Inc. • Board Director, Arbor Pharmaceuticals • Board Director, Mithra Biotechnology Inc. • Trust Director, Taipei Medical University
Hsia Family Trust Representative: David Hsia	<ul style="list-style-type: none"> • Board Director, Tanvex Biologics, Inc. • Member of Advisor Committee, Allianz Pharmascience Ltd.
Delos Capital Fund, LP Representative: Chen, Lin-Cheng	<ul style="list-style-type: none"> • Managing Partner, Delos Capital Fund, LP • Board Director, Apama Medical Inc. • Board Director, Atia Medical Inc. • Board Director, Allegra Therapeutics GmbH • Board Director, BAROnova, Inc. • Board Director, Curatia Medical, Inc. • Board Director, Syndax Pharmaceuticals, Inc.
Yen, Yun	<ul style="list-style-type: none"> • President and Professor, the Ph. D. Program for Cancer Biology and Drug Discovery, Taipei Medical University • Chairman, Sino American Cancer Foundation • Chief Science Advisor, Stembios • Chief Science Advisor, Fulgent • Member of Consulting committee, Allianz Pharmascience Ltd.
Tsai, Jin-Pau (Independent Director)	<ul style="list-style-type: none"> • Chairman, Jia Guang Development Industry Co., Ltd. • Chairman, Wanshida Development, Ltd. • Board Director, Global Life Insurance Co.Ltd. • Board Director, Oriental Recreation and Development Corp. • Board Director, Tuntex Incorporation • Board Director, FCB Leasing Co., Ltd • Board Director, FCB International Leasing Co., Ltd. • Independent Board Director, FCB International Leasing (Xiamen) Co., Ltd. • Independent Director, Sunny Friend Environmental Technology Co., Ltd. • Independent Board Director, Zenitron Corporation • Independent Board Director, KD Holding Corporation
Chang, Lee-Chiou (Independent Director)	<ul style="list-style-type: none"> • Chairman, Director, Panion & BF Biotech Inc. • Chairman, Director, FOCI Fiber Optic Communications, Inc • CEO, Sun Ten Group • Board Director, Sun Ten Natureceutica. • Independent Board Director, Compensations Committee member, Taya

Board Director's Name	Concurrent Position and Company Served
	<p>Telecom Cable Co.Ltd.</p> <ul style="list-style-type: none"> • Independent Board Director, Audit Committee member, Acme Electronics Corporation • Independent Board Director, Compensations Committee member, T3EX Global Holding Inc. • Chief Consultant, Yuanta Securities Co., Ltd.
Shih, Chuan (Independent Director)	<ul style="list-style-type: none"> • Special Researcher and Director, Institute of Biotechnology and Pharmaceutical Research (IBPR), National Health Research Institutes (NHRI) • Member of Science Consulting Committee, • Crown Bioscience Inc. • Professor, Chemistry Department, National Chung Hsing University

Comparison Table of the Articles of Association of TANVEX BIOPHARMA, INC.

Articles No.	Amended and Restated Articles of Association (Proposed Revision)	Amended and Restated Articles of Association (Original)	Explanations
140	<p>140. For so long as the Shares of the Company are registered in the Emerging Market and/or listed in the TPEx or TSE, subject to the Applicable Listing Rules, within fifteen (15) days after the receipt of the copy of a tender offer application form and relevant documents by the Company or its litigation or non-litigation agent appointed pursuant to the Applicable Listing Rules, the Board of the Directors shall resolve to recommend to the Shareholders whether to accept or object to the tender offer and make a public announcement of the following:</p> <p>(a) The types and amount of the Shares held by the Directors and the Shareholders holding more than ten percent (10%) of the outstanding Shares held in its own name or in the name of other</p>	<p>140. For so long as the Shares of the Company are registered in the Emerging Market and/or listed in the TPEx or TSE, subject to the Applicable Listing Rules, within seven (7) days after the receipt of the copy of a tender offer application form and relevant documents by the Company or its litigation or non-litigation agent appointed pursuant to the Applicable Listing Rules, the Board of the Directors shall resolve to recommend to the Shareholders whether to accept or object to the tender offer and make a public announcement of the following:</p> <p>(a) The types and amount of the Shares held by the Directors and the Shareholders holding more than ten percent (10%) of the outstanding Shares held in its own name or in the name of other persons.</p> <p>(b) Recommendations to the Shareholders on the tender offer, which</p>	Revised per Article 14 of "Regulations Governing Public Tender Offers for Securities of Public Companies"

Articles No.	Amended and Restated Articles of Association (Proposed Revision)	Amended and Restated Articles of Association (Original)	Explanations
	<p>persons.</p> <p>(b) <u>The recommendation based on investigation into the identify and financial position of the tender offeror, fairness of the tender offer conditions, and validity of funding sources to the Shareholders, where in the opinions and reasons of every consenting and objecting Director(s) shall be indicated;</u> Recommendations to the Shareholders on the tender offer, which shall set forth the names of the Directors who abstain or object to the tender offer and the reason(s) therefor.</p> <p>(c) Whether there is any material change in</p>	<p>shall set forth the names of the Directors who abstain or object to the tender offer and the reason(s) therefor.</p> <p>(c) Whether there is any material change in the financial condition of the Company after the submission of the latest financial report and an explanation of the change, if any</p> <p>(d) The types, numbers and amount of the shares of the tender offeror or its affiliates held by the Directors and the Shareholders holding more than ten percent (10%) of the outstanding Shares held in its own name or in the name of other persons.</p>	

Articles No.	Amended and Restated Articles of Association (Proposed Revision)	Amended and Restated Articles of Association (Original)	Explanations
	<p>the financial condition of the Company after the submission of the latest financial report and an explanation of the change, if any.</p> <p>(d) The types, numbers and amount of the shares of the tender offeror or its affiliates held by the Directors and the Shareholders holding more than ten percent (10%) of the outstanding Shares held in its own name or in the name of other persons.</p>		