

Stock Code: 4174



OBI Pharma, Inc.

2023 General Shareholders' Meeting Meeting Minutes

Date of the meeting: 9:00 am, June 27, 2023
11F., No. 97, Sec. 2, Dunhua S. Rd., Taipei City, Taiwan
Place of the meeting: (R.O.C.)
(Masterlink Securities Education and Training Center)
The meeting will be held
by means of: Physical Shareholders' Meeting

OBI PHARMA, INC.
General Meeting Minutes

Date of the meeting: 9:00 AM, Tuesday, June 27, 2023

Place of the meeting: 11F., No. 97, Sec. 2, Dunhua S. Rd., Taipei City, Taiwan
(Masterlink Securities Education and Training Center)

Attendee: Total shares represented by attending shareholders and entrusted agents are 130,801,799 shares, accounting for 57% of 229,439,374 outstanding shares.

Chairman: Yun Yen

Recorded by: Nancy Chang

Attending board members:

Yun Yen, Chairman;

Tamon Tseng, Director;

Frank Chen, Director;

Wan-Fang Ting, Director;

Howard Lee, Independent Director (Chairman of Remuneration committee);

Mingchin Chen, Independent Director (Chairman of Audit committee);

Chinting Chiu, Independent Director

Attending guests:

Dah In Yeh (Lawyer, Formosan Brothers Attorneys-at-Law);

Yvonne Lin (Lawyer, Formosan Brothers Attorneys-at-Law);

David Teng (CPA, PwC);

Ken Tsai (Manager, PwC)

Heidi Wang (CEO, OBI Pharma, Inc.)

The attending numbers of shares has reached to the statutory number of shares, and the Chairman declares the meeting open.

i. Chairman Address: Welcome to the 2023 Annual General meeting. On behalf of the company and all employees, I want to extend my sincere

gratitude to our shareholders for attending the event. Now, the meeting will commence following the scheduled agenda.

ii. Reports Items

(1) 2022 Business Report.

Recognized by attending shareholders.

(2) 2022 Audit Committee's audit report.

Recognized by attending shareholders.

(3) Implementation of a sound business plan.

Recognized by attending shareholders.

(4) Amendments of the Company's "Rules of Procedure for Board of Directors Meetings".

Recognized by attending shareholders.

iii Items for Acknowledgement

[The first case]	(Proposed by Board of Directors)
Cause:	The 2022 business report and audited financial statements, it is hereby proposed for acknowledgment.
Description:	<ol style="list-style-type: none">1. The 2022 business report and combined and individual financial statements of the Company have been passed by Board of Directors, among them, the combined and individual financial statements have been certified by accountant David Teng and Liang, Hua-Ling from PwC Taiwan and audit report of unqualified opinion has been issued, it is hereby proposed for acknowledgment.2. Please refer to Attachment of this manual for the above business report, accountant's audit report and financial statements.
Resolution:	Acknowledgment item was voted based on its original description. Among 125,677,315 of the voting share/unit (including those in the electronic voting system), 122,865,665 approved; 63,043 rejected; 0 voided;

2,748,607 abstained. The approving votes concluded at 97.76%, which passed the statutory laws and regulations. The case is approved as proposed.

- [The second case] (Proposed by Board of Directors)
- Cause: 2022 earning distribution loss off-setting, it is hereby proposed for acknowledgment.
- Description: 1. As audited by the accountant, the accumulated losses in 2022 financial statements of the Company is NT\$ 4,522,537,683, already exceeding one second of the paid-up capital of NT\$ 2,294,393,740 on February 3, 2023.
2. Please refer to 2022 Deficit Compensation Table of the Company below.

OBI Pharma, Inc.
Deficit Compensation Table
2022

Item	Amount	Unit: NT\$
Beginning loss to be covered	(2,908,622,195)	
Net loss after tax in 2022	(1,613,915,488)	
Accumulated ending deficit	(4,522,537,683)	

Chairman: Yun Yen Manager: Yun Yen Accounting Officer: Colin Kao

Resolution: Acknowledgment item was voted based on its original description. Among 125,677,315 of the voting share/unit (including those in the electronic voting system), 122,856,506 approved; 66,579 rejected; 0 voided; 2,754,230 abstained. The approving votes concluded at 97.75%, which passed the statutory laws and regulations. The case is approved as proposed.

iv Items for Discussion

[The first case]	(Proposed by Board of Directors)
Cause:	Amendments of the Company’s “Articles of Incorporation”, submitted for discussion.
Description:	In order to coordinate with the Company operation and conform to competent authority demand, in case the chairperson of the board and general manager refer to the same person, one more independent director is required by the end of 2023. Thus, the Company’s “Articles of Incorporation” is partially amended from 7 directors to 7~9 directors for elasticity purpose in the future. Please refer to Attachment of this manual.
Resolution:	Acknowledgment item was voted based on its original description. Among 125,677,315 of the voting share/unit (including those in the electronic voting system), 122,855,663 approved; 62,037 rejected; 0 voided; 2,759,615 abstained. The approving votes concluded at 97.75%, which passed the statutory laws and regulations. The case is approved as proposed.
[The second case]	(Proposed by Board of Directors)
Cause:	Amendments of the Company’s “Procedure for Shareholders’ Meetings”, submitted for discussion.
Description:	Part of the Company’s Rules of Procedure for Shareholders’ Meetings is amended according to the sample of XXX Co., Ltd. Rules of Procedure for Shareholders’ Meetings, announced in March 2023 by Financial Supervisory Commission R.O.C. (Taiwan) in aspects of video session of shareholders’ meeting that the Company is required to formulate related regulations so as to coordinate with the Company’s operation and guarantee shareholders’ benefit. Please refer to Attachment of this manual for comparison table of amendments.

Resolution: Acknowledgment item was voted based on its original description. Among 125,677,315 of the voting share/unit (including those in the electronic voting system), 122,866,662 approved; 62,037 rejected; 0 voided; 2,748,616 abstained. The approving votes concluded at 97.76%, which passed the statutory laws and regulations. The case is approved as proposed.

[The third case] (Proposed by Board of Directors)

Cause: Amendments of the Company's "Procedures for Asset Acquisition & Disposal", submitted for discussion.

Description: 1. Before going public, the Company committed to Taipei Exchange on the three subsidiaries (sub-subsidiaries) that "Procedures for Acquisition or Disposal of Assets" shall be added "the Company shall not waive future capital injection to OBI Pharma, Inc. and OBI Pharma USA, Inc.. OBI Pharma, Inc. shall not waive future capital injection to OBI Pharma (Shanghai) Limited. In case the Company have to waive future capital injection on the above incorporations for strategies or consent from Taipei Exchange, it has to be passed by special resolution of shareholders' meeting". In case any amendment is conducted, include it in major information disclosure on public information website and report to Taipei Exchange in letter for record use.

2. The Company control the two companies of AP Biosciences Inc. and Amaran Biotech through stock exchange with new share issue. Besides, the newly established Obigen Pharma, Inc. will continue to develop OBI-858 new botulinum toxin. Presently, the importance of the three subsidiaries mentioned above has significantly decreased. Thus, the Company applied to Taipei Exchange for the cancellation of

trace of the commitment and was replied with consent in letter Cheng-Kuei-Chien-Tzu No. 1120200470 from Taipei Exchange on March 15, 2023. In consequence, it is planned to delete regulations on “Procedures for Acquisition or Disposal of Assets”.

3. In addition, according to the letter Cheng-Kuei-Chien-Tzu No. 11100730371, issued by Taipei Exchange on December 28, 2022 and the sample of XXX Co., Ltd. Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises, part of the “Procedures for Acquisition or Disposal of Assets” is amended to strengthen the regulations on related-parties transactions. Please refer to Attachment of this manual for comparison table of amendments.

Resolution: Acknowledgment item was voted based on its original description. Among 125,677,315 of the voting share/unit (including those in the electronic voting system), 122,866,756 approved; 62,140 rejected; 0 voided; 2,748,419 abstained. The approving votes concluded at 97.76%, which passed the statutory laws and regulations. The case is approved as proposed.

[The fourth case] Cause: (Proposed by Board of Directors) Amendments of the Company’s “Rules for Transaction with Related Parties, Specified Company and Group Enterprises”, submitted for discussion.

Description: According to the letter Cheng-Kuei-Chien-Tzu No. 11100730371, issued by Taipei Exchange on December 28, 2022 and the sample of XXX Co., Ltd. Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises, part of the “Rules for Transaction with Related-parties, specified company and Group Enterprises” is amended to strengthen the

regulations on related-parties transactions. Please refer to Attachment of this manual for comparison table of amendments.

Resolution: Acknowledgment item was voted based on its original description. Among 125,677,315 of the voting share/unit (including those in the electronic voting system), 122,834,827 approved; 91,087 rejected; 0 voided; 2,751,401 abstained. The approving votes concluded at 97.73%, which passed the statutory laws and regulations. The case is approved as proposed.

[The fifth case] (Proposed by Board of Directors)

Cause: To coordinate with the plan of IPO of Obigen, the subsidiary, the Company shall be able to disperse its shareholding of Obigen in stages, submitted for discussion.

Description: 1. To cooperate with the future development of AP Biosciences Inc. and conform to laws and decrees for going public, it is proposed to conduct share reduction in the following method once or in batches before AP Biosciences Inc. going public.

(1) Method 1: Waive share purchase through capital injection

The new share price through capital injection of AP Biosciences Inc. shall not be lower than the net value per share in the latest version of the financial statement inspected or signed by accountants in the resolution passed in the shareholders' meeting on capital injection. For the purpose of AP Biosciences Inc.'s future development and attracting and retaining professionals to enhance performance, the Company has to waive the shares purchase through capital injection and urge shareholders of AP Biosciences Inc. to purchase shares as the quantity waived by the Company,

except for 10~15% shares owned by AP Biosciences Inc. and qualified employees of controlled incorporation or subsidiaries as regulated by laws. It is planned for AP Biosciences Inc. to formulate related matters on issue price via capital injection, operation scheme and the purchase conducted by certain persons of the waived shares considering market conditions and the company's operation.

- (2) Method 2: Cooperate with AP Biosciences Inc. to apply for share reduction in registering emerging company or listed company

The Company shall set aside shares for dealers to purchase and over-allotment operations according to related laws and decrees or regulations on emerging and being listed with negotiated share number and price between the Company and underwriters in accordance with laws and decrees or regulations on counter and listing, current market conditions and operation status of AP Biosciences Inc..

- (3) Method 3: Sell to strategic investors or institutional investors

For the future development of AP Biosciences Inc. and strengthening cooperation with potential technologies and authorized partners, it is planned to introduce strategic investors or institutional investors with abundant experience in bio-medical field who are willing to possess the share for a long term so as to promote the R&D process. The Company is required to reduce shares within 2 million shares for strategic investors or institutional investors to purchase in batches. The share price shall not be lower than the net value

per share in the latest version of the financial statement inspected or signed by accountants. But the actual price shall be set on the market situation that time and the company's operation under the authorization of shareholders' meeting with resolution, and taking the reasonability comment issued by independent professionals into consideration as well.

2. The Company shall conduct share reduction of AP Biosciences Inc. later according to related laws and regulations. Matters on giving up capital injection purchase and share reduction are proposed to be discussed in shareholders' meeting, and the board of directors shall be authorized to dispose the share number setting and jointly decide the share price with underwriters according to the market situation that time and company's operation.

Resolution: Acknowledgment item was voted based on its original description. Among 125,677,315 of the voting share/unit (including those in the electronic voting system), 122,838,354 approved; 88,059 rejected; 0 voided; 2,750,902 abstained. The approving votes concluded at 97.74%, which passed the statutory laws and regulations. The case is approved as proposed.

[The sixth case] (Proposed by Board of Directors)
Cause: To coordinate with the plan of IPO of Obigen, the subsidiary, the Company shall be able to disperse its shareholding of Obigen in stages, submitted for discussion.

Description: 1. To cooperate with the future development of Obigen Pharma, Inc. and conform to laws and decrees for going public, it is proposed to conduct share reduction in the following method once or in batches before Obigen Pharma, Inc. going public.

(1) Method 1: Waive share purchase through capital injection

The new share price through capital injection of Obigen Pharma, Inc. shall not be lower than the net value per share in the latest version of the financial statement inspected or signed by accountants in the resolution passed in the shareholders' meeting on capital injection. For the purpose of Obigen Pharma, Inc.'s future development and attracting and retaining professionals to enhance performance, the Company has to waive the shares purchase through capital injection and urge shareholders of Obigen Pharma, Inc. to purchase shares as the quantity waived by the Company, except for 10~15% shares owned by Obigen Pharma, Inc. and qualified employees of controlled incorporation or subsidiaries as regulated by laws. It is planned for Obigen Pharma, Inc. to formulate related matters on issue price via capital injection, operation scheme and the purchase conducted by certain persons of the waived shares considering market conditions and the company's operation.

(2) Method 2: Cooperate with Obigen Pharma, Inc. to apply for share reduction in registering emerging company or listed company

The Company shall set aside shares for dealers to purchase and over-allotment operations according to related laws and decrees or regulations on emerging and being listed with negotiated share number and price between the Company and underwriters in accordance with laws and decrees or regulations on emerging and being listed, current market conditions and operation status of

Obigen Pharma, Inc..

- (3) Method 3: Sell to strategic investors or institutional investors

For the future development of Obigen Pharma, Inc. and strengthening cooperation with potential technologies and authorized partners, it is planned to introduce strategic investors or institutional investors with abundant experience in bio-medical field who are willing to possess the share for a long term so as to promote the R&D process. The Company is required to reduce shares within 2 million shares for strategic investors or institutional investors to purchase in batches. The share price shall not be lower than the net value per share in the latest version of the financial statement inspected or signed by accountants. But the actual price shall be set on the market situation that time and the company's operation under the authorization of shareholders' meeting with resolution, and taking the reasonability comment issued by independent professionals into consideration as well.

2. The Company shall conduct share reduction of Obigen Pharma, Inc. later according to related laws and regulations. Matters on waiving capital injection purchase and share reduction are proposed to be discussed in shareholders' meeting, and the board of directors shall be authorized to dispose the share number setting and jointly decide the share price with underwriters according to the market situation that time and company's operation.

Resolution:

Acknowledgment item was voted based on its original description. Among 125,677,315 of the voting share/unit (including those in the electronic voting system),

122,841,354 approved; 88,060 rejected; 0 voided;
2,747,901 abstained. The approving votes concluded at
97.74%, which passed the statutory laws and regulations.
The case is approved as proposed.

[The seventh case] (Proposed by Board of Directors)

Cause: Ratification of the Company's resolution to forfeit the
subscription of AP Biosciences' 2022 cash capital increase
and distribute the rights to its shareholder, submitted for
discussion.

Description: 1. AP Biosciences Inc. issued 16,000,000 new ordinary
share with face value NT\$10 per share with resolution
of shareholders' meeting on June 22, 2022. The issue
price was temporarily set NT\$50, through which it is
expected to raise totally NT\$ 800,000,000. According
to Article 267 of Company Law, AP Biosciences Inc.
shall set aside 10% (1,600,000) shares for qualified
employees of AP Biosciences Inc. and controlled
incorporation or subsidiaries to purchase, the rest 90%
(14,400,000) shares shall be purchased in proportion
as stated in register of shareholders on subscription
base date by shareholders of AP Biosciences Inc..

2. However, in order to cooperate with the equity
diversification plan after AP Biosciences Inc.'s shares
entering the capital market and comply with the
securities management laws and regulations, the
Company intends to fully waive the aforementioned
pre-emptive subscription right for the capital injection
shares in 2022 without harming the rights and interests
of the shareholders of the Company and make sure all
shareholders can enjoy the business results of AP
Biosciences Inc., and urge AP Biosciences Inc. to
transfer the subscription rights the Company waived

to all shareholders of the Company according to Article 3 of Taipei Exchange Supplemental Rules Governing Applications by Group Enterprises for TPEX Listing of Stock, “When a subsidiary applies for TPEX listing pursuant to the proviso of the preceding subparagraph, with regard to any activities of equity ownership dispersion conducted by the parent company to reduce its shareholding in the subsidiary within the 3 years before the application for TPEX listing, such activities shall have been done in a manner in which the pre-emptive subscription right is given to the parent's original shareholders or other manner not detrimental to the interests of the parent's shareholders.”. The share number shall be calculated in proportion as stated in register of shareholders on the latest book closure day of the Company. After calculation, the Company’s shareholders could purchase 34.3016 shares of AP Biosciences Inc. with every 1,000 shares. And the waived shares and odd share shall be purchased by certain persons at issue price consulted by chairperson of the board under the authorization of board of directors of AP Biosciences Inc..

3. To cooperate with AP Biosciences Inc.’s share operation, calculate the total shares that shareholders could subscribe according to the numbers stated in register of shareholders on the base date of capital injection and share subscription of AP Biosciences Inc., and then calculate the shares that individual shareholder could subscribe in proportion as stated in register of shareholders on the latest book closure day of the Company. In the end, for shareholders with over 1,000 shares (inclusive), the payment notice shall be

delivered via a registered mail. For shareholders with less than 1,000 shares, they shall be noticed via announcements with no further registered mail. For shareholders with no payment notice can check payment information via agencies for AP Biosciences Inc.'s share operation.

4. In January 2018, the Company took 67.00% shares of AP Biosciences Inc. through exchange with shareholders of AP Biosciences Inc. through new share issue with capital injection. But the Company detained fund for R&D and operation use in November 2020 and February 2021, and did not purchase new shares of AP Biosciences Inc. as scheduled, resulting the proportion dropping to 58.99% and 54.62% respectively.
5. The Company listed AP Biosciences Inc. as an important subsidiary from March 2022. But the waiving of subscription for new shares of AP Biosciences Inc. in 2022 diluted the shares proportion from 54.62% to 41.12% (including the shares retained for AP Biosciences Inc.'s employees). But the Company remains the largest shareholder of AP Biosciences Inc. comprehensively speaking. Plus it has over half of the board seats. So it is believed that AP Biosciences Inc. is still under control of the Company. Subject to the provisions of Paragraph 1 of Article 8 of Taipei Exchange Rules Governing Securities Trading on the TPEX "If a TPEX listed company is reducing the percentage of its direct or indirect shareholding in (or capital contribution to) a major subsidiary, and the cumulative reduction will reach 10 percent or more within 3 years, or the TPEX listed company will lose its control over the

subsidiary, the TPEX listed company shall, in advance, appoint an independent expert to issue a written opinion about the reasonableness of all past prices and the impact on the shareholders equity of the TPEX listed company.”, the Company has commissioned independent professional accountant Karin Lin from Chainye Accounting Firm to issue comment letter on the price reasonability and the impact on shareholders’ rights and interests.

The accumulative share loss of 10% for last 3 years is caused by not purchasing new shares of capital injection as scheduled. The waived subscription rights were purchased by specified objects consulted by AP Biosciences Inc.. As the independent professional indicated, the share loss for last 3 years had no adverse effect on the Company’s shareholders rights and interests, and it had no adverse effect for the Company’s shares to conduct on-the-counter transactions, either.

6. Matters that qualified shareholders purchased the waived new shares of AP Biosciences Inc. in 2022 and other matters unfinished have been authorized to dispose by the chairperson of the Company through the 2nd session of the 7th Shareholders Meeting, and proposed to be adopted in General Shareholders Meeting in 2023.

Resolution:

Acknowledgment item was voted based on its original description. Among 125,677,315 of the voting share/unit (including those in the electronic voting system), 122,835,053 approved; 88,062 rejected; 0 voided; 2,754,200 abstained. The approving votes concluded at 97.73%, which passed the statutory laws and regulations. The case is approved as proposed.

- [The eighth case] (Proposed by Board of Directors)
- Cause: Ratification of the Company's resolution to forfeit part of subscription rights of Obigen's 2022 cash capital increase and distribute the rights to its shareholders, submitted for discussion.
- Description:
1. Obigen Pharma, Inc. issued ordinary share of capital injection with resolution of shareholders' meeting on October 28, 2022, and its chairperson was authorized to decide the issue number and price within specific range. Basing on the market conditions, the chairperson decided to issue 30,000,000 new shares with face value of NT\$10 per share. The issue price was set NT\$32, through which it is expected to raise totally NT\$960,000,000 to cope with the human clinical test cost for the 2nd and 3rd phase of OBI-858 and operation expenditure. According to Article 267 of Company Law, Obigen Pharma, Inc. shall set aside 10% (3,000,000) shares for qualified employees to purchase, the rest 90% (27,000,000) shares shall be purchased in proportion as stated in register of shareholders on subscription base date by shareholders of Obigen Pharma, Inc..
 2. The Company authorized Obigen Pharma, Inc. to continue the clinical R&D of OBI-858 botulinum toxin preparation, and in return took 62.17% stock rights of Obigen Pharma, Inc., becoming the controlled company of it. By the end of November 2022, Obigen Pharma, Inc. has completed the 1st phase human clinical test of OBI-858, and achieved the positive performance of safety and preliminary therapeutic effect to support the 2nd and 3rd phase clinical test for a wider sample size. In addition, it has finished the construction and inspection of drug substance plant and drug product plant, in which

clinical test drugs are produced. It is expected to bring out application for 2nd and 3rd phase human clinical test for the Food and Drug Administration Ministry of Health and Welfare Taiwan in 2023.

3. To assure the fund safety in R&D and operation of Obigen Pharma, Inc. at this important stage, it is essential to conduct capital injection to Obigen Pharma, Inc.. But considering that the Company still needs to retain a number of fund for anti-cancer product R&D projects and for operation, and in order to cooperate with the equity diversification plan of Obigen Pharma, Inc.'s stock entering the capital market in the future, and introduce investors who are beneficial to Obigen Pharma, Inc.'s long-term development in the future, the Company intends not to issue the 16,785,521 shares calculated according to the shareholding ratio, but sets the new shares with capital injection as 7,812,500 shares (NT\$32 per share, total amount of NT\$250,000,000), and waived the subscription rights for 8,973,021 shares, from which the Company's shareholding in Obigen Pharma, Inc. shall be reduced from 62.17% to 51.94%.

In addition, as Article 3 of Taipei Exchange Supplemental Rules Governing Applications by Group Enterprises for TPEX Listing of Stock, “When a subsidiary applies for TPEX listing pursuant to the proviso of the preceding subparagraph, with regard to any activities of equity ownership dispersion conducted by the parent company to reduce its shareholding in the subsidiary within the 3 years before the application for TPEX listing, such activities shall have been done in a manner in which the pre-emptive subscription right is given to the parent's original shareholders or other manner not detrimental to the

interests of the parent's shareholders.” the Company intends to fully waive the aforementioned pre-emptive subscription right for the capital injection shares of 8,973,021 without harming the rights and interests of the shareholders of the Company and make sure all shareholders can enjoy the business results of Obigen Pharma, Inc.. The Company shall urge Obigen Pharma, Inc. to transfer the subscription rights the Company waived to all shareholders of the Company. The share number shall be calculated in proportion as stated in register of shareholders on the latest book closure day of the Company. After calculation, the Company’s shareholders could purchase 39.10846183 shares of Obigen Pharma, Inc. with every 1,000 shares. And the waived shares and odd share shall be purchased by certain persons at issue price consulted by chairperson of the board under the authorization of board of directors of Obigen Pharma, Inc..

4. To cooperate with Obigen Pharma, Inc.’s share operation, calculate the total shares that shareholders could subscribe according to the numbers stated in register of shareholders on the base date of capital injection and share subscription of Obigen Pharma, Inc, and then calculate the shares that individual shareholder could subscribe in proportion as stated in register of shareholders on the latest book closure day of the Company. In the end, for shareholders with over 1,000 shares (inclusive), the payment notice shall be delivered via a registered mail. For shareholders with less than 1,000 shares, they shall be noticed via announcements with no further registered mail. For shareholders with no payment notice can check payment information via agencies for Obigen Pharma, Inc.’s share operation.

5. As the latest annual financial statement of Obigen Pharma, Inc. in 2021 demonstrates, the net value per share of Obigen Pharma, Inc. by the end of 2021 is NT\$18.22. In addition, Obigen Pharma, Inc. commissioned independent professional of Lin, Chang-Yu from Trust and Assist CPAs to issue Comment on the Reasonability Assessment of Ordinary Share with Capital Injection, which says the fair value section for Obigen Pharma, Inc. is from NT\$31.59 to NT\$40.20 per share, and the actual share price is set NT\$32, which is allowable and reasonable.
6. Matters that qualified shareholders purchased the waived new shares of Obigen Pharma, Inc. and other matters unfinished have been authorized to dispose by the chairperson of the Company through the 4th session of the 7th Shareholders Meeting, and proposed to be adopted in General Shareholders Meeting in 2023.

Resolution: Acknowledgment item was voted based on its original description. Among 125,677,315 of the voting share/unit (including those in the electronic voting system), 122,839,740 approved; 88,065 rejected; 0 voided; 2,749,510 abstained. The approving votes concluded at 97.74%, which passed the statutory laws and regulations. The case is approved as proposed.

v. Elections

[The first case]

(Proposed by Board of Directors)

Cause:

Co-optation for the director seat of the 7th Board of Directors of the company

Description:

1. The former chairperson of the Company, Dr. Michael N. Chang passed away on December 29, 2022, resulting a vacant seat of the directors. It is proposed to elect a director in proper order who will take up his post in 2023 General Shareholders Meeting the day after the election with a tenure from June 27, 2023 to June 26, 2025.
2. Candidate nomination system is adopted for the election and appointment of directors (including independent directors) of the Company. List of candidates was reviewed and passed by the Board of Directors on May 8, 2023. Relevant information is specified as follows:

List of director candidates (No.1):

No.	Name	Major education background (experience)
1	Yun Yen Number of shareholding: 0	<p>Education background: PhD of Pathology and Cell Biology, Thomas Jefferson University</p> <p>Experience: Emeritus Professor of City of Hope National Medical Center, USA, President of Taipei Medical University</p> <p>Current position: Chairman & CEO, OBI Pharma Inc. Chairman, Tanvex BioPharma, Inc. Chairman, Tanvex Biologics Corp. Chairman, Tanvex BioPharma USA, Inc. Chairman, Calgent biotechnology co., Ltd. Chair Professor, Cancer Molecular Biology and Drug Discovery, Taipei Medical University</p>

Voting Results:

OBI Pharma, Inc. 2023 General Meeting
List of elected directors in the 7th session and votes weight

No.	Title	Name	Election weight	Election result
1	Director	Yun Yen	122,241,555 rights	Elected

vi. Other Proposals

[The first case] (Proposed by Board of Directors)

Cause: Lifting non-competition restrictions for the Company's directors, it is hereby proposed for discussion.

Description: 1. In order to meet the actual operational needs of the Company, in accordance with Article 209 of the Company Act, the restriction on non-competition for the directors to be elected at the shareholders' meeting in 2023 is lifted, and the directors of the Company have requested permission from the shareholders' meeting for themselves or others to perform acts within the scope of business of the Company.

2. The list for releasing non-competition restrictions on directors is as shown below:

Name of director	Name of concurrent company/institution	Permitted competition behavior
Yun Yen	Tanvex BioPharma, Inc.	Chairman & CEO
	Tanvex Biologics Corp.	Chairman
	Tanvex BioPharma USA, Inc.	Chairman
	Calgent Biotechnology Co., Ltd.	Chairman
	Cancer Molecular Biology and Drug Discovery, Taipei Medical University	Chair Professor
	Sino American Cancer Foundation (non-commercial enterprise)	Volunteer
	Theragent, Inc.	Chairman
	Nano Targeting & Therapy Biopharma Inc.	Director
	National Health Research Institutes	Director
	Obigen Pharma Inc.	Representative Directors
	Academia Sinica, Institute of Biological Chemistry	Adjunct Research Fellow
	California Institute of Technology	Adjunct Professor
Lixte Biotechnology Holdings, Inc.	Director	
Tzu Chi University	Distinguished Professor	

Resolution: Acknowledgment item was voted based on its original description. Among 125,678,315 of the voting share/unit (including those in the electronic voting system), 122,780,812 approved; 91,337 rejected; 0 voided; 2,806,166 abstained. The approving votes concluded at 97.69%, which passed the statutory laws and regulations. The case is approved as proposed.

vii Extemporany Motions

viii Adjournment

2022
Business Report

OBI Pharma, Inc. 2022 Business Report

After three years, the rampant epidemics has gradually become the end of the crossbow in 2022. In contrast, there seems a spring in Taiwan's biotechnology industry. Years of accumulation finally burst into a explosion with aspects of new drug certification, licensing, clinical development and profitable subject. By the end of 2022, the total market value of the biotechnology industry has soared to NT\$1.47 trillion, a significant increase of more than five times over ten years ago. Biotechnology has finally become a veritable trillion-yuan industry.

For OBI Pharma, Inc., we conducted capital injection in 2022 with total capital surmounting two billion NT\$, symbolizing a new milestone for our scale, social expectation and support, together with social responsibility. At this critical moment, we continue to promote the progress of the product line, and also bear the courage to meet more challenges. In terms of subject matter, we introduce new targets, step into new fields, and work with new partners to lay a more solid foundation for tomorrow's success.

As a new drug development company with multiple technologies and targets, OBI Pharma, Inc. has promoted the development of clinical trial product line: in aspect of new drug Adagloxad Simolenin (OBI-822) for breast cancer, in 2022, new medical centers in Peru, Brazil, Poland and other places were opened and clinical trials were added. Currently, it is accelerating the acceptance of cases in 13 countries and regions around the world. Besides, OBI-822 was first patented in the United States last October. What's more, OBI-866 and OBI-999 have also obtained invention patents from the United States and Taiwan.

In terms of academics, OBI Pharma, Inc. published a total of five poster papers at international academic conferences in 2022, and two papers at the annual meeting of the American Association for Cancer Research (AACR), respectively using scientific data to clarify the anti-tumor synergy combining OBI-3424 and pembrolizumab (PD-1). The other is a new finding that the survival rate of gastric cancer patients with high expression of Globo H and PD-L1 is low. In addition, at the annual meeting of the American Society of Clinical Oncology (ASCO), it released the new clinical research progress of the anti-Globo H cancer vaccine Adagloxad Simolenin, the antibody small molecule drug complex (ADC) OBI-999 and the first prodromal chemotherapy drug OBI-3424 targeting AKR1C3. The heads of the projects came in person to discuss the innovative treatment for cancer invented by OBI Pharma, Inc. with attended professionals all round the world.

In late 2021, after Biosion obtained the TROP2 monoclonal antibody and its global exclusive rights outside China, OBI Pharma, Inc. accelerated its development of derivative drugs such as Anti-TROP2 ADC. By now, it has completed a variety of experiments on different cancer animals, confirming that it has good anti-tumor effects, and it is believed that it will become the core of OBI Pharma, Inc.'s new generation product. At present, TROP2 has become a star drug for anti-cancer, and we will further improve and optimize it, hoping to launch more eye-catching product choices.

In addition, OBI Pharma, Inc. also involve itself in CAR-T therapy, targeting Globo H and TROP2 has achieved considerable results in recent years. The animal experiments have

shown excellent efficacy and the persistence of repeated tumor killing, and the T cell also has the characteristics of immune organ homing (Homing), and we are currently accelerating and increasing the development in this field.

The bivalent vaccine BCVax for COVID 19 developed by OBI Pharma, Inc. has been confirmed to have good stability, mature production technology, low cold chain threshold. It is easy to preserve, transport and popularize, which is also the original intention of OBI Pharma, Inc., hoping to bridge the gap between vaccines in various countries and fulfill corporate social responsibility. However, in view of the current epidemic situation, it's not so urgent as before, and we will make adjustment after carefully assessing the global needs conditions.

It is worth mentioning that after OBI Pharma, Inc. successfully completed the capital injection, the subsidiaries of AP Biosciences Inc. and Obigen Pharma, Inc. also completed their capital injection in 2022. AP Biosciences Inc. is about to conduct public offering and emerging in 2023, and its two self-developed bispecific antibody anti-cancer new drugs AP505 and AP203 have also entered clinical trials. The development of Obigen Pharma, Inc. is also extremely eye-catching and has become the target of the industry's attention. It has completed capital injection successfully, and the construction of drug substance plant and the upgrading of drug product plant. It is planning to design and implement phase II and III clinical trials for medical aesthetic indications, and everything is ready to go.

Next is the business results in 2022 on products entering clinical development stage:

I. R&D progress of major products

A. Adagloxad Simolenin (OBI-822) Globo H active immunity vaccine

Adagloxad simolenin is a new active immune anti-cancer drug targeting the carbohydrate antigen Globo H. Globo H is linked to the carrier hemocyanin KLH. After being injected into the human body, it triggers immune cells to produce antibodies against Globo H to treat cancer.

The global phase III clinical trial is designed as randomized, randomized, open-label, standard care control with patients suffering from triple negative breast cancer (TNBC) of a high risk of recurrence after surgery as subjects. It was evaluated that this group of patients still has unmet medical needs; in this trial, immunohistochemistry (IHC) approved by the FDA of the United States was adopted to screen TNBC patients with certain Globo H expression on the tumor surface as subjects; Currently, it is accelerating the acceptance of cases in 13 countries and regions around the world, such as Taiwan, United States, Australia and China. In 2022, it was approved to collect trial cases in Peru, Brazil, Poland and other places successively.

B. OBI-999 Globo H Antibody Drug Conjugate (ADC)

This product is an antibody drug conjugate (ADC) based on OBI-888 monoclonal antibody. Antibodies can recognize cancer cells that are highly expressed by Globo H, and then release active small-molecule chemical drugs to prevent tumor cell division and kill tumor cells. This product has been granted with orphan drug designation by the FDA for the treatment of gastric and pancreatic cancers.

The phase II cohort expansion of OBI-999 clinical trial is conducted at the M.D. Anderson Cancer Center of the University of Texas and Taipei Veterans General Hospital in Taiwan. In this stage of trial, patients with locally advanced or metastatic solid tumors were accepted as subjects, and the expression of tumor Globo H measured using immunohistochemistry (IHC) approved by FDA of the United States as the subject screening criteria.

C. OBI-3424 AKR1C3 small molecule chemotherapy prodrug

OBI-3424 is a precursor-type first-in-class small molecule new drug that selectively acts on a variety of cancers over-expressed by AKR1C3 aldosterone reductase; it was granted orphan drug designation approved by FDA of the United States for the treatment of hepatocellular carcinoma (HCC) and acute lymphoblastic leukemia (ALL) in 2018 respectively. In May 2022, the Company addressed papers at the online annual meeting of American Association for Cancer Research, explaining the preclinical study development of OBI-3424.

The first dose-escalation phase of this product has already been completed at the University of Texas MD Anderson Cancer Center and the Ohio State University James Cancer Hospital and Solove Research Institute. Currently, the second phase of cohort expansion trial has been launched and actively implemented.

The phase I/II clinical trial sponsored by OBI and its partner, Southwest Oncology Group (SWOG), was approved by FDA of the United States in 2020 as phase I/II clinical trial for T-cell acute lymphoblastic leukemia (T-ALL) and T-cell Lymphoblastic lymphoma (T-LBL). Currently, the first dose-escalation phase of trial and drug safety evaluation have been conducted at American Medical Sciences Center.

D. OBI-833 new generation Globo H active immunity vaccine

OBI-833 is a new active immune anti-cancer drug targeting the carbohydrate antigen Globo H. Globo H is linked to the carrier protein CRM197. After being injected into the human body, it triggers immune cells to produce antibodies against Globo H to treat cancer.

OBI-833 has completed the first phase of dose escalation trial and non-small cell lung cancer cohort expansion trial, showing that this product has good safety and preliminary efficacy, and the test results have been presented at the European Oncology Society Asia Annual Meeting (2020 ESMO Asia). OBI Pharma, Inc. also plans two phase II clinical trials: one is for non-small cell lung cancer, to evaluate whether the combination of OBI-833 and EGFR tyrosine kinase inhibitors can prolong the "non-deterioration survival" of patients. The other is an investigator-initiated trial (IIT) to evaluate whether the use of OBI-833 can delay recurrence after surgery for esophageal cancer patients. These two trials have been approved by the Taiwan Food and Drug Administration and are actively collecting cases.

E. OBI-866 SSEA-4 active immunity vaccine

OBI of Taiwan develops diversified innovative cancer immunotherapies, targeting Globo series; in addition to Globo H targeted products, OBI has also actively developed various anti-cancer innovative therapies targeting the highly expressed SSEA-4 carbohydrate antigen of tumor stem cells. This product is a new active immune anti-cancer drug with SSEA-4 as

the target, and a patent was approved by Taiwan in November, 2021. In the phase I clinical trial implemented in Taiwan, patients with advanced/metastatic solid cancers like brain cancer, pancreatic cancer, breast cancer or lung cancer were accepted as subjects, hoping to evaluate the safety, tolerability, immunogenicity and preliminary efficacy of this product.

II. Intellectual property protection

The safeguard of intellectual property is the value of biotechnology companies, in response to global market competition, OBI reinforced the patent layout in 2022 and strengthened the protection of business secrets as well, achieving many substantial progresses; as at the end of 2022, 26 domestic and foreign trademark certificates had been obtained, owning 157 domestic and foreign patents in total. At the same time, we continue to bring in international high-level management personnel to join the management team and enrich our R&D capabilities in order to respond to the globalization of the market and competition.

III. Corporate governance

ESG Report

As a listed company, OBI Pharma, Inc. has taken environmental protection and social responsibility as its own value. Whether it is investors or the community, the evaluation of corporate investment is no longer limited to the financial performance in the past, but ESG, which means environmental, social and corporate governance, not only is an important indicator of company sustainability, but the government has also urged companies to implement ESG through legislation or evaluation.

OBI Pharma, Inc. has been planning to publish Taiwan OBI Sustainability Business Report from 2014 according to Preparation and Filing of Sustainability Reports by Listed Companies and GRI Sustainability Reporting Standards, issued by Global Sustainability Standards Board, to self-inspect the implementation in aspects of ESG, and further formulate Filing and Examining Procedures for Taiwan OBI Sustainability Business Report, and include it into one of the interior control systems.

Transparency of information

In terms of corporate governance, we aim to protect the rights and interests of shareholders, strengthen the functions of the board of directors, respect the rights and interests of stakeholders, and enhance information transparency. In this regard, since there is a high professional threshold in the biotechnology field, OBI Pharma, Inc. places great importance on openness and transparency of information. In addition to releasing important information about the company's progress or explaining it in press releases, OBI Pharma, Inc. also publicly announces and explains the progress of product development and related information to investors and the general public in the form of legal presentations or forums. In order to value the voice of investors, the company also has a dedicated person within the company to handle investor questions, answers and suggestions to promote positive interaction and build mutual trust with both investors.

Cyber Security Management

In the Internet era, information security is regarded as a national security issue, and it is also one of the risks that modern enterprises continue to face. Especially for biotechnology

industry, where trade secrets, technology patents and intellectual property rights are the core values, it is necessary to guarantee the information security. The Company's Information Security Policy follows the PDCA cycle method of the international information security management system ISO/IEC 27001, and adopts multi-layer in-depth defense measures for information security. Periodic information security risk assessment, professional training and general education and training of colleagues are implemented to continuously strengthen the information security management system and technology and improve the protection ability and resilience.

In addition, the Company also built network security protection, completed key system backup mechanisms, disaster preparedness and recovery drills, introduced multi-factor authentication, hard disk encryption technology, endpoint protection and introduced CDN services to accelerate the protection of the company's website applications, mitigate DDOS and block the abuse of malicious programs. In 2022, it also added a host endpoint detection and response mechanism (EDR), a host vulnerability detection and management mechanism, and joined the government-sponsored TW-ISAC enterprise intelligence sharing platform. It integrated ISO/IEC 27001 international common standards to established a more complete ISO/IEC 27001 information security management system (ISMS) in 2022 to achieve effective prevention. Once an information security incident occurs, it can be responded to and disposed in real time, reducing its adverse impact on the company's finances and business.

Talent Training and Education

OBI of Taiwan always attaches great importance to human resources. In order to enhance the professional skills of employees and encourage employees to achieve career planning, the Company formulated the "Education and Training Management Measures" to hold education and training from time to time, and provide domestic and foreign training opportunities, encouraging employees to strive for professional certification, so as to improve work performance. It has been included in the annual assessment and promotion reference.

IV. Financial performance

2022 Financial Reporting

New drug R&D industry is a technology-, talent- and capital-intensive industry. In addition to characteristics like high cost, high risk and high rate of return, new anticancer drugs are also highly uncertain; to this end, the financial planning and operation of the Company almost stick to a conservative guideline.

As for the financial status of the Company in 2022, the consolidated operating income reached NT\$ 4,711,000 and the consolidated R&D expenses reached NT\$ 1,772,856,000 which were mainly used for the expenditure of new drug R&D projects. There were products including OBI-822, OBI-833, OBI-999 and OBI-3424. Due to abundant product lines of the Company and given that most products are currently within the stages of clinical trials, the R&D expenses invested are accumulated as energies for future product marketing and profit growth.

Combined financial analysis in 2022 is as shown in the following table:

2022 Analysis item		Analysis on financial capacity and profitability in the last two years		
		2022	2021	+(-)
Financial structure (%)	Self-owned capital ratio	92.50	86.27	7.22%
	Long-term funds to fixed assets ratio	627.82	433.74	44.74%
Repaying capability (%)	Current ratio	2,276.44	872.23	160.99%
	Quick ratio	2,170.97	818.16	165.35%
Profitability (%)	Return on total assets	(34.10)	(34.90)	2.29%
	Return on total stockholders' equity	(37.96)	(39.45)	3.78%
	Net loss per share (NT\$)	(7.27)	(7.69)	5.46%

V. Concluding remarks

Technological innovation is the most important driving force for industrial growth. In recent years, OBI Pharma, Inc. has always focused on the development of first-in-class new anti-cancer drugs, and has continued to make progress and deepen the development of new anti-cancer drugs with the Globo polysaccharide series as the target. In recent years, OBI Pharma, Inc. has expanded its R&D direction from the Globo polysaccharide series to include emerging areas such as AKR1C3 enzymes and bi-specific antibodies, and has been studying the feasibility of future combined cancer drugs, successfully transforming itself into an innovative tumor immunotherapy development platform with multiple technologies and targets.

Under the background of change in the overall environment and international competition, OBI has continuously maintained rolling review and correction of its resources, product

competitiveness and development strategies and conducted short-term, middle-term and long-term development planning. Last year, due to the unexpected manufacturing yield, it was announced that the phase II clinical trial of the new drug of anti-Globo H body OBI-888 was terminated early, which is a decision made by the management team after careful assessment. And the new development strategy will be launched after optimizing and purifying the process in the future.

OBI independently developed the bivalent vaccine BCVax for COVID-19 in half a year, which was proved to have super protection against various viruses of COVID-19 in preclinical trials. But in view of the development of the epidemic, we adopted a flexible strategy for the promotion of BCVax. In addition, we will also use the TROP2 monostrain antibody licensed from Biosion as a new target, to develop a new ADC anti-cancer drug after improvement and optimization in view of the shortcomings of the current marketed products.

The Company will continuously maintain its maximum R&D energy, actively promote each products and complete clinical trials, dedicate to seeking for business opportunities for international cooperation, and march forward the goal of becoming a transnational biotechnology new drug company with global competitiveness.

Chairman:

Manager:

Accounting Officer:

2022

**Financial Statement and
Accountant's Audit Report**

OBI PHARMA, INC. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2022 AND 2021

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of OBI PHARMA, INC.

Opinion

We have audited the accompanying consolidated balance sheets of OBI PHARMA, INC. and subsidiaries (the “Group”) as at December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2022 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion

thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2022 consolidated financial statements are stated as follows:

Key audit matter – Impairment assessment of intangible assets

Description

Refer to Note 4(17) for accounting policies on impairment assessment of non-financial assets, Note 5 for critical judgements adopted in the impairment assessment of intangible assets, and Note 6(7) for account details of intangible assets.

As of December 31, 2022, the balance of the Group's intangible assets amounted to NT\$382,441 thousand. The intangible assets consist of related technologies acquired from other companies for new drug development as well as patents, patented technologies and goodwill arising from equity investments in AP Biosciences, Inc. Since the drug is still under development, no cash inflow can be generated. As of the balance sheet date, the Group determines whether the patents and patented technologies are impaired based on external and internal information. The Group would then consider to recognise an impairment loss by comparing the recoverable amount if there is an indication that they are impaired. Additionally, the Group obtained the goodwill valuation report from an external appraiser firm. Since the impairment assessment performed by the management involves management's subjective judgment and the key assumptions used in the impairment assessment have a significant impact on the value-in-use estimates, we considered the impairment assessment of intangible assets as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Reviewed the information used by the Group management for impairment assessment of intangible assets (excluding goodwill) including plan and progress for each development project, etc., conducted discussion with management and director of research and development department regarding the information used for impairment assessment of intangible assets, and assessed whether:
 - (1) The features, marketing advantages and market tendency of the main products including research and development technology are still competitive.
 - (2) The progress of the major research and development plan has no significant delay.

- (3) The total market value of the Company is higher than the net assets as of the balance sheet date.
2. Performed the following procedures based on the obtained valuation report on goodwill prepared by external experts appointed by the Group:
- (1) Assessed whether the valuation methods adopted are reasonable for the industry, environment and the valued assets of the Group;
 - (2) Evaluated the reasonableness of main assumptions used in estimating the value-in-use, including R&D timeline, R&D success rate, market share of products after the receipt of drug permit license and royalty rate.
 - (3) Examined model parameters and calculations.
 - (4) Compared the discount rate used and assumptions on the capital cost of cash-generating units.
 - (5) Verified whether the value-in-use exceeds the book value of investments in AP Biosciences, Inc.

Key audit matter - Impairment assessment of property, plant and equipment and right-of-use assets of Contract Development and Manufacturing Organisation (CDMO) segment

Description

Refer to Note 4(17) for accounting policies on impairment assessment of non-financial assets, Note 5 for critical judgement adopted in the impairment assessment of property, plant and equipment and right-of-use assets, and Notes 6(5) and 6(6) for account details of property, plant and equipment and right-of-use assets.

The Group applied value in use in determining the recoverable amount of property, plant and equipment and right-of-use assets of CDMO segment and used it as the basis for impairment assessment. Since the total book value of the aforementioned assets amounting to NT\$675,695 thousand constituted 10% of the Group's total assets, the assessment of value in use involves management's subjective judgment, and the key assumptions used in the impairment assessment have a significant impact on the value in use estimates, we considered the impairment assessment of property, plant and equipment and right-of-use assets of CDMO segment as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Reviewed and assessed the reasonableness of the data used in the assessment of indications for impairment of the CDMO segment.
2. Obtained an understanding of the reasonableness of future cash flow forecast developed by management.
3. Discussed the financial operation forecast with management, and compared the forecast with historical results for reasonableness.
4. Reviewed the reasonableness of other significant assumptions used by management in determining future cash flows.

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion on the parent company only financial statements of OBI PHARMA, INC. as at and for the years ended December 31, 2022 and 2021.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

Those charged with governance, including audit committee, are responsible for overseeing the Group's

financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

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

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

David Teng

Eileen Liang

For and on behalf of PricewaterhouseCoopers, Taiwan

March 13, 2023

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.

OBI PHARMA, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 4,741,109	72	\$ 2,512,186	56
1110	Financial assets at fair value through profit or loss - current	6(2)	752	-	1,767	-
1136	Financial assets at amortised cost - current	6(4)	30,710	1	140,000	3
1170	Accounts receivable, net		2,037	-	3,465	-
1200	Other receivables		26,236	-	19,804	1
130X	Inventories		21,973	-	9,562	-
1410	Prepayments		211,264	3	167,353	4
11XX	Total current assets		<u>5,034,081</u>	<u>76</u>	<u>2,854,137</u>	<u>64</u>
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non- current	6(3)	8,725	-	9,106	-
1600	Property, plant and equipment, net	6(5) and 7	980,722	15	898,878	20
1755	Right-of-use assets	6(6)	194,835	3	250,141	5
1780	Intangible assets, net	6(7)	382,441	6	398,284	9
1900	Other non-current assets	8	32,897	-	76,205	2
15XX	Total non-current assets		<u>1,599,620</u>	<u>24</u>	<u>1,632,614</u>	<u>36</u>
1XXX	Total assets		<u>\$ 6,633,701</u>	<u>100</u>	<u>\$ 4,486,751</u>	<u>100</u>

(Continued)

OBI PHARMA, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Current borrowings	6(8)	\$ 15,705	-	\$ -	-
2130	Current contract liabilities	6(17)	3,160	-	-	-
2170	Accounts payable		1,144	-	525	-
2200	Other payables	6(10)	146,978	2	264,790	6
2220	Other payables to related parties	7	333	-	70	-
2230	Current income tax liabilities	6(23)	558	-	336	-
2280	Current lease liabilities	7	40,349	1	52,070	1
2320	Long-term liabilities, current portion	6(9)	7,000	-	7,000	-
2399	Other current liabilities		5,911	-	2,433	-
21XX	Total current liabilities		<u>221,138</u>	<u>3</u>	<u>327,224</u>	<u>7</u>
Non-current liabilities						
2500	Non-current financial liabilities at fair value through profit or loss	6(11)	46,065	1	-	-
2540	Long-term borrowings	6(9)	21,000	-	28,000	1
2570	Deferred income tax liabilities	6(23)	46,329	1	54,762	1
2580	Non-current lease liabilities	7	163,033	2	205,962	5
2600	Other non-current liabilities		3	-	-	-
25XX	Total non-current liabilities		<u>276,430</u>	<u>4</u>	<u>288,724</u>	<u>7</u>
2XXX	Total liabilities		<u>497,568</u>	<u>7</u>	<u>615,948</u>	<u>14</u>
Equity attributable to owners of parent						
	Share capital	6(14)				
3110	Common stock		2,294,394	35	1,992,794	44
	Capital surplus	6(13)(15)(25)				
3200	Capital surplus		6,932,631	104	3,702,222	82
	Retained earnings	6(16)				
3350	Accumulated deficit		(4,522,538)	(68)	(2,908,622)	(65)
3400	Other equity interest	6(3)	(26,323)	-	(24,528)	-
3500	Treasury shares	6(14)(25)	(45,990)	(1)	(45,990)	(1)
31XX	Equity attributable to owners of the parent		<u>4,632,174</u>	<u>70</u>	<u>2,715,876</u>	<u>60</u>
36XX	Non-controlling interest	4(3) and 6(25)	<u>1,503,959</u>	<u>23</u>	<u>1,154,927</u>	<u>26</u>
3XXX	Total equity		<u>6,136,133</u>	<u>93</u>	<u>3,870,803</u>	<u>86</u>
	Significant Contingent Liabilities and Unrecognised Contract Commitments	6(7), 7 and 9				
	Significant Events after the Balance Sheet Date	11				
3X2X	Total liabilities and equity		<u>\$ 6,633,701</u>	<u>100</u>	<u>\$ 4,486,751</u>	<u>100</u>

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

OBI PHARMA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except for loss per share amounts)

	Items	Notes	Year ended December 31			
			2022		2021	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(17)	\$ 4,711	-	\$ 18,772	1
5000	Operating costs		(44,855)	(2)	(44,362)	(2)
5900	Gross profit		(40,144)	(2)	(25,590)	(1)
	Operating expenses	6(5)(6)(7)(12)(13)(21)(22) and 7				
6200	Administrative expenses		(309,762)	(16)	(240,826)	(14)
6300	Research and development expenses		(1,772,856)	(93)	(1,449,598)	(83)
6000	Total operating expenses		(2,082,618)	(109)	(1,690,424)	(97)
6900	Operating loss		(2,122,762)	(111)	(1,716,014)	(98)
	Non-operating income and expenses					
7100	Interest income	6(18)	49,931	3	6,458	-
7010	Other income		4,104	-	8,846	-
7020	Other gains and losses	6(19)	155,625	8	(37,745)	(2)
7050	Finance costs	6(20) and 7	(3,990)	-	(3,798)	-
7000	Total non-operating income and expenses		205,670	11	(26,239)	(2)
7900	Loss before tax		(1,917,092)	(100)	(1,742,253)	(100)
7950	Income tax benefit	6(23)	17,768	1	24,363	1
8200	Loss for the year		<u>(\$ 1,899,324)</u>	<u>(99)</u>	<u>(\$ 1,717,890)</u>	<u>(99)</u>
	Other comprehensive income (loss) for the year, net					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8316	Unrealised valuation gains and loss from equity investment instruments measured at fair value through other comprehensive income	6(3)	(\$ 381)	-	\$ 1,069	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		8,511	-	(8,809)	-
8300	Other comprehensive income (loss) for the year, net		<u>\$ 8,130</u>	<u>-</u>	<u>(\$ 7,740)</u>	<u>-</u>
8500	Total comprehensive loss for the year		<u>(\$ 1,891,194)</u>	<u>(99)</u>	<u>(\$ 1,725,630)</u>	<u>(99)</u>
	Loss attributable to:					
8610	Owners of the parent		(\$ 1,613,916)	(84)	(\$ 1,530,687)	(88)
8620	Non-controlling interest		(285,408)	(15)	(187,203)	(11)
	Total		<u>(\$ 1,899,324)</u>	<u>(99)</u>	<u>(\$ 1,717,890)</u>	<u>(99)</u>
	Comprehensive loss attributable to:					
8710	Owners of the parent		(\$ 1,605,929)	(84)	(\$ 1,538,427)	(88)
8720	Non-controlling interest		(285,265)	(15)	(187,203)	(11)
	Total		<u>(\$ 1,891,194)</u>	<u>(99)</u>	<u>(\$ 1,725,630)</u>	<u>(99)</u>
	Loss per share (in dollars)	6(24)				
9750	Basic and diluted loss per share		<u>(\$ 7.27)</u>		<u>(\$ 7.69)</u>	

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

OBI PHARMA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Equity attributable to owners of the parent												Non-controlling interest	Total equity
	Notes	Capital Reserves					Accumulated deficit	Other Equity Interest			Treasury shares	Total		
		Share capital - common stock	Additional paid-in capital	Employee stock options	Restricted stock	Others		Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Other equity, others				
Year ended December 31, 2021														
Balance at January 1, 2021		\$ 1,992,794	\$ 2,206,273	\$ 1,196,428	\$ -	\$ 282,081	(\$ 1,377,935)	\$ 2,356	(\$ 19,144)	\$ -	(\$ 53,831)	\$ 4,229,022	\$ 608,737	\$ 4,837,759
Net loss for the year		-	-	-	-	-	(1,530,687)	-	-	-	-	(1,530,687)	(187,203)	(1,717,890)
Other comprehensive income (loss) for the year		-	-	-	-	-	-	(8,809)	1,069	-	-	(7,740)	-	(7,740)
Total comprehensive income (loss) for the year		-	-	-	-	-	(1,530,687)	(8,809)	1,069	-	-	(1,538,427)	(187,203)	(1,725,630)
Increase in non-controlling interests	6(25)	-	-	-	-	-	-	-	-	-	-	-	473,370	473,370
Share-based payment transactions	6(13)(15)(22)(25)	-	-	33,993	-	16,077	-	-	-	-	-	50,070	934	51,004
Share-based payment transactions of subsidiaries	6(25)	-	-	-	-	543	-	-	-	-	-	543	2,995	3,538
Forfeiture of share options	6(13)(15)(25)	-	-	(137,527)	-	137,527	-	-	-	-	-	-	-	-
Forfeiture of share options issued by a subsidiary	6(25)	-	-	-	-	1,253	-	-	-	-	-	1,253	(1,253)	-
Changes in ownership interests in subsidiaries (Note)	6(25)	-	-	-	-	(35,272)	-	-	-	-	(2,403)	(37,675)	37,675	-
Disposal of Company's shares by subsidiaries recognised as treasury share transactions	6(25)	-	-	-	-	846	-	-	-	-	10,244	11,090	5,902	16,992
Subsidiary's capital increase and issuance of new shares	6(25)	-	-	-	-	-	-	-	-	-	-	-	213,770	213,770
Balance at December 31, 2021		\$ 1,992,794	\$ 2,206,273	\$ 1,092,894	\$ -	\$ 403,055	(\$ 2,908,622)	(\$ 6,453)	(\$ 18,075)	\$ -	(\$ 45,990)	\$ 2,715,876	\$ 1,154,927	\$ 3,870,803
Year ended December 31, 2022														
Balance at January 1, 2022		\$ 1,992,794	\$ 2,206,273	\$ 1,092,894	\$ -	\$ 403,055	(\$ 2,908,622)	(\$ 6,453)	(\$ 18,075)	\$ -	(\$ 45,990)	\$ 2,715,876	\$ 1,154,927	\$ 3,870,803
Net loss for the year		-	-	-	-	-	(1,613,916)	-	-	-	-	(1,613,916)	(285,408)	(1,899,324)
Other comprehensive income (loss) for the year		-	-	-	-	-	-	8,368	(381)	-	-	7,987	143	8,130
Total comprehensive income (loss) for the year		-	-	-	-	-	(1,613,916)	8,368	(381)	-	-	(1,605,929)	(285,265)	(1,891,194)
Issuance of shares	6(14)(15)	300,000	2,850,000	-	-	-	-	-	-	-	-	3,150,000	-	3,150,000
Increase in non-controlling interests	6(25)	-	-	-	-	-	-	-	-	-	-	-	3	3
Share-based payment transactions	6(13)(15)(22)(25)	-	9,441	73,724	-	19,563	-	-	-	-	-	102,728	45,489	148,217
Issuance of employee restricted stocks	6(14)(15)	1,600	-	-	8,960	-	-	-	(10,560)	-	-	-	-	-
Compensation cost of employee restricted stocks	6(13)(22)	-	-	-	-	-	-	-	-	778	-	778	-	778
Forfeiture of share options	6(13)(15)(25)	-	-	(86,378)	-	89,231	-	-	-	-	-	2,853	(2,853)	-
Changes in ownership interests in subsidiaries (Note)	6(25)	-	-	-	-	265,868	-	-	-	-	-	265,868	591,658	857,526
Balance at December 31, 2022		\$ 2,294,394	\$ 5,065,714	\$ 1,080,240	\$ 8,960	\$ 777,717	(\$ 4,522,538)	\$ 1,915	(\$ 18,456)	(\$ 9,782)	(\$ 45,990)	\$ 4,632,174	\$ 1,503,959	\$ 6,136,133

Note: It refers to effect of not acquiring shares issued by subsidiaries in proportion to its interest.

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

OBI PHARMA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2022	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Loss before tax		(\$ 1,917,092)	(\$ 1,742,253)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(5)(6)	184,825	156,820
Amortisation	6(7)	61,785	59,455
Interest expense	6(20)	3,990	3,798
Interest income	6(18)	(49,931)	(6,458)
Dividend income		-	(80)
Losses (gains) on financial assets at fair value through profit or loss	6(2)	1,015	(373)
(Gain) loss on disposal of property, plant and equipment	6(18)	(6)	15,081
Compensation cost for share-based payment transactions	6(13)	148,995	54,017
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss	6(2)	-	382,137
Accounts receivable, net		1,428	(2,014)
Inventories		(9,741)	(2,204)
Other receivables		9,977	(3,144)
Prepayments		(43,911)	(20,750)
Changes in operating liabilities			
Current contract liabilities		3,160	-
Accounts payable		619	368
Other payables		(57,645)	21,716
Other payables to related parties		263	70
Other current liabilities		3,478	535
Cash outflow generated from operations		(1,658,791)	(1,083,279)
Interest received		33,522	7,365
Dividends received		-	80
Interest paid		(3,990)	(3,798)
Income tax received		9,557	15,153
Net cash flows used in operating activities		(1,619,702)	(1,064,479)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortised cost	6(4)	(30,710)	(140,000)
Proceeds from disposal of financial assets at amortised cost	6(4)	140,000	-
Acquisition of property, plant and equipment	6(26)	(253,797)	(219,891)
Proceeds from disposal of property, plant and equipment		54	-
Acquisition of intangible assets	6(7)	(45,907)	(3,858)
Increase in prepayments for business facilities		(853)	(21,434)
Decrease (increase) in refundable deposits		21,327	(4,790)
Cash acquired from acquisition of subsidiaries		-	472,651
Net cash flows (used in) from investing activities		(169,886)	82,678
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds from exercise of employee stock options by subsidiaries	6(13)(25)	-	525
Repayment of lease principal	6(6)(27)	(52,314)	(49,071)
Increase in short-term borrowings	6(8)(27)	15,705	-
Repayment of short-term borrowings	6(8)(27)	-	(9,468)
Repayment of long-term debt	6(9)(27)	(7,000)	(9,000)
Increase in guarantee deposits received	6(27)	3	-
Proceeds from issuance of shares	6(14)	3,150,000	-
Increase in capital and issuance of new shares by the subsidiary	6(25)	857,526	213,770
Disposal of the shares of parent company held by the subsidiary	6(25)	-	16,992
Increase in financial liabilities at fair value through profit or loss by the subsidiary	4(3)	46,065	-
Net cash flows from financing activities		4,009,985	163,748
Effect due to changes in exchange rate		8,526	(8,063)
Net increase (decrease) in cash and cash equivalents		2,228,923	(826,116)
Cash and cash equivalents at beginning of year		2,512,186	3,338,302
Cash and cash equivalents at end of year		\$ 4,741,109	\$ 2,512,186

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

OBI PHARMA, INC.
PARENT COMPANY ONLY FINANCIAL
STATEMENTS AND INDEPENDENT AUDITORS’
REPORT
DECEMBER 31, 2022 AND 2021

For the convenience of readers and for information purpose only, the auditors’ report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors’ report and financial statements shall prevail.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of OBI PHARMA, INC.

Opinion

We have audited the accompanying parent company only balance sheets of OBI PHARMA, INC. (the "Company") as at December 31, 2022 and 2021, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the parent company only financial statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2022 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2022 parent company only financial statements are stated as follows:

Key audit matter – Impairment assessment of intangible assets and investments accounted for under equity method

Description

Refer to Note 4(14) for accounting policies on impairment assessment of non-financial assets, Note 5 for critical judgements adopted in the impairment assessment of intangible assets, and Note 6(6) in the parent company only financial statements and Note 6(7) in the consolidated financial statements for account details of intangible assets.

As of December 31, 2022, the balance of the Company's intangible assets amounted to NT\$81,952 thousand, which consists of related technologies acquired from other companies for new drug development. The balance of patents, patented technologies and goodwill arising from equity investments in AP Biosciences, Inc. amounted to NT\$158,277 thousand (shown as investments accounted for under equity method). Since the drug is still under development, no stable cash inflow can be generated. The Company assesses whether there is any indication of impairment of the patents and patented technologies based on external and internal information. The Company would then consider to recognise an impairment loss by comparing the recoverable amount if there is an indication that they are impaired. Additionally, the Company obtained the goodwill valuation report from an external appraiser firm. Since the impairment assessment performed by the management involves management's subjective judgment and the key assumptions used in the impairment assessment have a significant impact on the value-in-use estimates, we considered the impairment assessment of intangible assets and investments accounted for under equity method as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Reviewed the information used by the Company management for impairment assessment of intangible assets including plan and progress for each development project, etc., conducted discussion with management and director of research and development department regarding the information used for impairment assessment of intangible assets, and assessed whether:

- (2) The features, marketing advantages and market tendency of the main products including research and development technology are still competitive.
 - (3) The progress of the major research and development plan has no significant delay.
 - (4) The total market value of the Company is higher than the net assets as of the balance sheet date.
2. Performed the following procedures based on the obtained valuation report on goodwill by external experts appointed by the Company:
- (1) Assessed whether the valuation methods adopted are reasonable for the industry, environment and the valued assets of the Company;
 - (2) Evaluated the reasonableness of main assumptions used in estimating the value-in-use, including R&D timeline, R&D success rate, market share of products after the receipt of drug permit license and royalty rate.
 - (3) Examined model parameters and calculations.
 - (4) Compared the discount rate used and assumptions on the capital cost of cash-generating units.
 - (5) Verified whether the value-in-use exceeds the book value of investments in AP Biosciences, Inc.

Key audit matters - Impairment assessment of investments accounted for using the equity method

Description

Refer to Note 4(10) for accounting policies on investments accounted for using the equity method, Note 5 for critical judgement adopted in the impairment assessment of investments accounted for using the equity method, and Note 6(3) for details of investments accounted for using the equity method.

The Company's investee, Amaran Biotechnology Inc. (Amaran), had significant amounts of property, plant and equipment and right-of-use assets. As of the balance sheet date, Amaran assesses whether there is any indication of impairment based on the external and internal information. If there is an indication that these assets may be impaired, these assets are tested for impairment based on their fair values or recoverable amounts. As the amount of investments accounted for using the equity method is significant, the assessment of fair value and recoverable amount involves management's subjective judgement, and the key assumptions used in the impairment assessment have a significant impact on the impairment assessment result, we considered the impairment assessment of investments accounted for using the equity method as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Reviewed and assessed the reasonableness of the data used in the assessment of impairment indication of property, plant and equipment and right-of-use assets.
2. Obtained an understanding of the reasonableness of future cash flow forecast developed by management.
3. Discussed financial operation forecast with management, and compared the forecast with historical results for reasonableness.
4. Reviewed the reasonableness of other significant assumptions used by management in determining future cash flows.

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

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

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

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

Auditors' responsibilities for the audit of the parent company only financial statements

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

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

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

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

remain solely responsible for our audit opinion.

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

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

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

David Teng

Eileen Liang

For and on behalf of PricewaterhouseCoopers, Taiwan

March 13, 2023

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles 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 parent company only 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.

OBI PHARMA, INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 3,008,359	58	\$ 1,345,684	45
1170	Accounts receivable, net		2,037	-	1,741	-
1200	Other receivables		22,555	-	18,429	1
1210	Other receivables due from related parties		-	-	170	-
1410	Prepayments	7	120,797	2	96,361	3
11XX	Total current assets		<u>3,153,748</u>	<u>60</u>	<u>1,462,385</u>	<u>49</u>
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non-current	6(2)	8,725	-	9,106	-
1550	Investments accounted for under equity method	6(3) and 7	1,770,409	34	1,214,914	40
1600	Property, plant and equipment	6(4), 7 and 8	141,594	3	145,668	5
1755	Right-of-use assets	6(5)	50,823	1	87,065	3
1780	Intangible assets	6(6)	81,952	2	55,806	2
1900	Other non-current assets	7 and 8	19,619	-	31,813	1
15XX	Total non-current assets		<u>2,073,122</u>	<u>40</u>	<u>1,544,372</u>	<u>51</u>
1XXX	Total assets		<u>\$ 5,226,870</u>	<u>100</u>	<u>\$ 3,006,757</u>	<u>100</u>

(Continued)

OBI PHARMA, INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2130	Current contract liabilities	6(14) and 7	\$ 368,520	7	\$ -	-
2200	Other payables	6(8)	95,684	2	147,614	5
2220	Other payables to related parties	7	36,109	1	13,232	1
2280	Current lease liabilities	7	29,779	-	35,843	1
2320	Long-term liabilities, current portion	6(7)	7,000	-	7,000	-
2399	Other current liabilities	7	8,762	-	1,571	-
21XX	Total current liabilities		<u>545,854</u>	<u>10</u>	<u>205,260</u>	<u>7</u>
Non-current liabilities						
2540	Long-term borrowings	6(7)	21,000	-	28,000	1
2580	Non-current lease liabilities	7	27,842	1	57,621	2
25XX	Total non-current liabilities		<u>48,842</u>	<u>1</u>	<u>85,621</u>	<u>3</u>
2XXX	Total liabilities		<u>594,696</u>	<u>11</u>	<u>290,881</u>	<u>10</u>
Equity						
Share capital		6(11)				
3110	Common stock		2,294,394	44	1,992,794	66
Capital Surplus		6(10)(12)				
3200	Capital surplus		6,932,631	133	3,702,222	123
Accumulated deficit		6(13)				
3350	Accumulated deficit		(4,522,538)	(87)	(2,908,622)	(97)
3400	Other equity interest	6(2)	(26,323)	-	(24,528)	(1)
3500	Treasury stocks	6(11)	(45,990)	(1)	(45,990)	(1)
3XXX	Total equity		<u>4,632,174</u>	<u>89</u>	<u>2,715,876</u>	<u>90</u>
Significant Contingent Liabilities and		6(6) and 9				
Unrecognised Contract Commitments						
Significant Events after the Balance		11				
Sheet Date						
3X2X	Total liabilities and equity		<u>\$ 5,226,870</u>	<u>100</u>	<u>\$ 3,006,757</u>	<u>100</u>

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

OBI PHARMA, INC.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except for loss per share amounts)

	Items	Notes	Year ended December 31			
			2022		2021	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(14)	\$ 2,002	-	\$ 826,462	54
5000	Operating costs		-	-	-	-
5900	Gross profit		2,002	-	826,462	54
5910	Unrealised loss from sales	6(3)	-	-	(824,706)	(54)
5920	Realised profit from sales	6(3)	41,235	3	35,040	3
5950	Net operating margin		43,237	3	36,796	3
	Operating expenses	6(4)(5)(6)(9)(10) (18)(19) and 7				
6200	Administrative expenses		(138,247)	(9)	(123,068)	(8)
6300	Research and development expenses		(1,279,576)	(79)	(1,082,106)	(71)
6000	Total operating expenses		(1,417,823)	(88)	(1,205,174)	(79)
6900	Operating loss		(1,374,586)	(85)	(1,168,378)	(76)
	Non-operating income and expenses					
7100	Interest income	6(15)	45,752	3	4,625	-
7010	Other income	7	7,178	-	18,552	1
7020	Other gains and losses	6(16) and 7	156,943	10	(12,233)	(1)
7050	Finance costs	6(17) and 7	(1,627)	-	(1,783)	-
7070	Share of loss of associates and joint ventures accounted for under equity method, net	6(3)	(447,576)	(28)	(371,470)	(24)
7000	Total non-operating income and expenses		(239,330)	(15)	(362,309)	(24)
7900	Loss before tax		(1,613,916)	(100)	(1,530,687)	(100)
7950	Income tax expense	6(20)	-	-	-	-
8200	Loss for the year		<u>(\$ 1,613,916)</u>	<u>(100)</u>	<u>(\$ 1,530,687)</u>	<u>(100)</u>
	Other comprehensive income (loss) for the year, net					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8316	Unrealised valuation gains and losses from equity investment instruments measured at fair value through other comprehensive income	6(3)	(\$ 381)	-	\$ 1,069	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		8,368	-	(8,809)	(1)
8300	Other comprehensive income (loss) for the year, net		<u>\$ 7,987</u>	<u>-</u>	<u>(\$ 7,740)</u>	<u>(1)</u>
8500	Total comprehensive loss for the year		<u>(\$ 1,605,929)</u>	<u>(100)</u>	<u>(\$ 1,538,427)</u>	<u>(101)</u>
	Loss per share (in dollars)	6(21)				
9750	Basic and diluted loss per share		<u>(\$ 7.27)</u>		<u>(\$ 7.69)</u>	

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

OBI PHARMA, INC.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Capital Reserves					Accumulated deficit	Other Equity Interest				Total equity
		Share capital - common stock	Additional paid-in capital	Employee stock warrants	Restricted stock	Others		Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Other equity, others	Treasury shares	
Year ended December 31, 2021												
Balance at January 1, 2021		\$ 1,992,794	\$ 2,206,273	\$ 1,196,428	\$ -	\$ 282,081	(\$ 1,377,935)	\$ 2,356	(\$ 19,144)	\$ -	(\$ 53,831)	\$ 4,229,022
Net loss for the year		-	-	-	-	-	(1,530,687)	-	-	-	-	(1,530,687)
Other comprehensive income (loss) for the year		-	-	-	-	-	-	(8,809)	1,069	-	-	(7,740)
Total comprehensive income (loss) for the year		-	-	-	-	-	(1,530,687)	(8,809)	1,069	-	-	(1,538,427)
Share-based payment transactions	6(10)(12)(19)	-	-	33,993	-	16,077	-	-	-	-	-	50,070
Share-based payment transactions of subsidiaries	6(12)	-	-	-	-	543	-	-	-	-	-	543
Forfeiture of share options	6(10)(12)	-	-	(137,527)	-	137,527	-	-	-	-	-	-
Forfeiture of share options issued by a subsidiary	6(12)	-	-	-	-	1,253	-	-	-	-	-	1,253
Changes in ownership interests in subsidiaries (Note)	6(3)(12)	-	-	-	-	(35,272)	-	-	-	-	(2,403)	(37,675)
Disposal Company's share by subsidiaries recognised as treasury share transactions	6(12)	-	-	-	-	846	-	-	-	-	10,244	11,090
Balance at December 31, 2021		\$ 1,992,794	\$ 2,206,273	\$ 1,092,894	\$ -	\$ 403,055	(\$ 2,908,622)	(\$ 6,453)	(\$ 18,075)	\$ -	(\$ 45,990)	\$ 2,715,876
Year ended December 31, 2022												
Balance at January 1, 2022		\$ 1,992,794	\$ 2,206,273	\$ 1,092,894	\$ -	\$ 403,055	(\$ 2,908,622)	(\$ 6,453)	(\$ 18,075)	\$ -	(\$ 45,990)	\$ 2,715,876
Net loss for the year		-	-	-	-	-	(1,613,916)	-	-	-	-	(1,613,916)
Other comprehensive income (loss) for the year		-	-	-	-	-	-	8,368	(381)	-	-	7,987
Total comprehensive income (loss) for the year		-	-	-	-	-	(1,613,916)	8,368	(381)	-	-	(1,605,929)
Issuance of shares	6(11)	300,000	2,850,000	-	-	-	-	-	-	-	-	3,150,000
Share-based payment transactions	6(10)(12)(19)	-	9,441	73,724	-	19,563	-	-	-	-	-	102,728
Issuance of employee restricted stocks	6(11)(12)	1,600	-	-	8,960	-	-	-	-	(10,560)	-	-
Compensation cost of employee restricted stocks	6(10)(19)	-	-	-	-	-	-	-	-	778	-	778
Forfeiture of share options	6(10)(12)	-	-	(86,378)	-	89,231	-	-	-	-	-	2,853
Changes in ownership interests in subsidiaries (Note)	6(3)(12)	-	-	-	-	265,868	-	-	-	-	-	265,868
Balance at December 31, 2022		\$ 2,294,394	\$ 5,065,714	\$ 1,080,240	\$ 8,960	\$ 777,717	(\$ 4,522,538)	\$ 1,915	(\$ 18,456)	(\$ 9,782)	(\$ 45,990)	\$ 4,632,174

Note: It refers to effect of not acquiring shares issued by subsidiaries in proportion to its interest.

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

OBI PHARMA, INC.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2022	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Loss before tax		(\$ 1,613,916)	(\$ 1,530,687)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(4)(5)(18)	55,130	66,430
Amortisation	6(6)(18)	16,217	15,495
Interest expense	6(17)	1,627	1,783
Interest income	6(15)	(45,752)	(4,625)
Dividend income		-	(80)
Gains on disposals of property, plant and equipment	6(16)	(7,281)	(8,870)
Compensation cost for share-based payment	6(10)(18)	82,550	34,027
Share of loss of subsidiaries, associates and joint ventures accounted for under equity method	6(3)	447,576	371,470
Unrealised (gain) loss on intercompany transactions	6(3)	(41,235)	789,666
Acquisition of subsidiaries equity interest in non-cash payment	6(22)	-	(870,154)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		-	382,159
Accounts receivable, net		(296)	(290)
Other receivables		11,427	(4,504)
Other receivables due from related parties		170	1,625
Prepayments		(24,436)	34,759
Changes in operating liabilities			
Other payables		(51,766)	3,151
Other payables-related parties		22,877	(30,925)
Other current liabilities		7,191	174
Cash outflow generated from operations		(1,139,917)	(749,396)
Interest received		30,198	5,579
Dividends received		-	80
Interest paid		(1,627)	(1,783)
Net cash flows used in operating activities		(1,111,346)	(745,520)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of investments accounted for under equity method	6(3)(22)	(288,037)	(300,301)
Acquisition of property, plant and equipment	6(22)	(14,978)	(17,774)
Proceeds from disposal of property, plant and equipment		48	370
Acquisition of intangible assets	6(6)	(42,328)	(2,291)
Decrease in prepayments for business facilities		-	1,391
Decrease in refundable deposits		12,159	627
Net cash flows used in investing activities		(333,136)	(317,978)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Repayment of long-term debt	6(7)(23)	(7,000)	(9,000)
Repayment of lease principal	6(5)(23)	(35,843)	(36,774)
Proceeds from cash capital increase	6(11)	3,150,000	-
Net cash flows from (used in) financing activities		3,107,157	(45,774)
Net increase (decrease) in cash and cash equivalents		1,662,675	(1,109,272)
Cash and cash equivalents at beginning of year		1,345,684	2,454,956
Cash and cash equivalents at end of year		\$ 3,008,359	\$ 1,345,684

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

Comparison Table of Articles of Incorporation

OBI Pharma, Inc.
Comparison Table of Articles of Incorporation

Article	Amended article	Existing article	Basis of and reason for amendment
Article 17	The Company sets <u>7~9</u> directors with 3 years of term of office, who will be elected by Shareholders' Meeting from the competent candidates, reappointment is acceptable if elected successively, if re-election is not carried out upon the expiration of director's term of office, the term of office of the concerned director will be extended until the re-elected director takes office; starting from the election of the sixth session directors, the election of directors of the Company will adopt candidate nomination system, and Shareholders' Meeting will elect directors from the list of candidates.	The Company sets <u>7</u> directors with 3 years of term of office, who will be elected by Shareholders' Meeting from the competent candidates, reappointment is acceptable if elected successively, if re-election is not carried out upon the expiration of director's term of office, the term of office of the concerned director will be extended until the re-elected director takes office; starting from the election of the sixth session directors, the election of directors of the Company will adopt candidate nomination system, and Shareholders' Meeting will elect directors from the list of candidates.	In cooperation with the Company's operation and in response to competent authority's demand, it is planned to amend upper limit of the director seats to increase elasticity.
Article 29	This Articles of Incorporation was formulated on April 18, 2002. The first amendment on November 17, 2003. The second amendment on November 13, 2007. The third amendment on November 13, 2009. The fourth amendment on June 25, 2010. The fifth amendment on January 21, 2011. The sixth amendment on March 9, 2012. The seventh amendment on February 7, 2013. The eighth amendment on June 26, 2013. The ninth amendment on July 23, 2014. The tenth amendment on June 27, 2016. The eleventh amendment on June 27, 2019. The twelfth amendment on June 27, 2022. <u>The thirteenth amendment will be made on June 27, 2023.</u>	This Articles of Incorporation was formulated on April 18, 2002. The first amendment on November 17, 2003. The second amendment on November 13, 2007. The third amendment on November 13, 2009. The fourth amendment on June 25, 2010. The fifth amendment on January 21, 2011. The sixth amendment on March 9, 2012. The seventh amendment on February 7, 2013. The eighth amendment on June 26, 2013. The ninth amendment on July 23, 2014. The tenth amendment on June 27, 2016. The eleventh amendment on June 27, 2019. The twelfth amendment on June 27, 2022.	Add the date of amendment

Comparison Table of Procedure for Shareholders' Meetings

OBI Pharma, Inc.

Comparison Table of Procedure for Shareholders' Meetings

Article	Amended article	Article	Existing article	Explanation
Article 1	In order to establish good Shareholders' Meeting governance system and sound supervision function of the Company, and strengthen management function, it is hereby formulated these Rules pursuant to Article 5 of Listed Company Governance Best Practice Principles to comply with.	<u>1. Purpose:</u>	In order to establish good Shareholders' Meeting governance system and sound supervision function of the Company, and strengthen management function, it is hereby formulated these Rules pursuant to Article 5 of Listed Company Governance Best Practice Principles to comply with.	The article series number is changed, but the content is not amended.
		<u>2. Scope:</u>	All Shareholders' Meeting convened by the Company shall be handled pursuant to these Rules.	1. <u>Delete the article.</u> 2. The content of existing article 2 is the same with the amended article 2, so delete it.
Article 2	Unless otherwise prescribed by laws and decrees or regulations, the rules of procedure for Shareholders' Meetings of the Company shall be formulated according to these Rules.	<u>Article 1</u>	Unless otherwise prescribed by laws and decrees or regulations, the rules of procedure for Shareholders' Meetings of the Company shall be formulated according to these Rules.	The article series number is changed, but the content is not amended.
<u>Article 3</u>	Unless otherwise prescribed by laws and decrees, Shareholders' Meeting of the Company shall be convened by Board of Directors. <u>The convening of video session of shareholders' meeting, except as otherwise provided in the guidelines for issuing shares, shall be set out in the articles of association and approved by the board of directors, and the video session shall be implemented by the board of directors with the presence of more than two-thirds of the directors and the consent of a majority of the directors present. Any change in the method of convening the shareholders' meeting of the Company shall be subject to a resolution of the board of directors and shall be made before the notice of the meeting is delivered.</u> Thirty days before convening General Meeting or fifteen days before convening Interim Meeting, the Company shall prepare the cause and description information of motions such as Shareholders'	<u>Article 2</u>	Unless otherwise prescribed by laws and decrees, Shareholders' Meeting of the Company shall be convened by Board of Directors. Thirty days before convening General Meeting or fifteen days before convening Interim Meeting, the Company shall prepare the cause and description information of motions such as Shareholders'	1. As prescribed in Paragraph 2 Article 3 of "Sample for Rules of Procedure of XXX Co., Ltd. Shareholders' Meeting", there are too many restrictions on shareholders' rights and interests via video session, so article 2 is added to guarantee the attended shareholders' rights and interests. 2. In accordance Paragraph 3 Article 3 of "Sample for Rules of Procedure of XXX Co., Ltd. Shareholders' Meeting", article 3 is added to make sure shareholders learn the change of convening method. 3. In accordance Paragraph 4 and 5 Article 3 of "Sample for Rules of Procedure

Article	Amended article	Article	Existing article	Explanation
	<p>Meeting meeting notice, proxy form, relevant acknowledgment cases, discussion cases, director election or dismissal matters etc. into electronic file and send it to mops.twse.com.tw. And twenty-one days before convening General Meeting or fifteen days before convening Interim Meeting, the Company shall prepare Shareholders' Meeting meeting handbook and meeting updates into electronic file and send it to mops.twse.com.tw, <u>if the paid-in capital of the Company reaches NT\$10 billion or more by the end of the latest fiscal year or the total shareholding ratio of foreign capital and mainland capital recorded in its shareholder register of the listed company is more than 30% when convening general shareholders' meeting in the fiscal year, the electronic file shall be sent 30 days before the general meeting of shareholders.</u> Fifteen days before convening Shareholders' Meeting, the Company shall properly prepare Shareholders' Meeting meeting handbook and meeting updates for shareholders' reading at any time, and they shall be displayed in the Company and the professional stock affairs agency appointed by the Company.</p> <p><u>The handbook and meeting updates shall be provided to shareholders for reference in the following methods:</u></p> <p><u>I. Distribute at site when the shareholders' meeting is convened on the spot.</u></p> <p><u>II. Distribute at site and send electronic files to video meeting platform when video meeting is applied to assist.</u></p> <p><u>III. Send electronic files to video meeting platform when video meeting is convened.</u></p> <p>(Below texts omitted)</p>		<p>Meeting meeting notice, proxy form, relevant acknowledgment cases, discussion cases, director election or dismissal matters etc. into electronic file and send it to mops.twse.com.tw. And twenty-one days before convening General Meeting or fifteen days before convening Interim Meeting, the Company shall prepare Shareholders' Meeting meeting handbook and meeting updates into electronic file and send it to mops.twse.com.tw. Fifteen days before convening Shareholders' Meeting, the Company shall properly prepare Shareholders' Meeting meeting handbook and meeting updates for shareholders' reading at any time, and they shall be displayed in the Company and the professional stock affairs agency appointed by the Company, and distributed at the scene of Shareholders' Meeting.</p> <p>(Below texts omitted)</p>	<p>of XXX Co., Ltd. Shareholders' Meeting", shareholders can refer to the shareholders' meeting handbook and supplementary information on the day of the meeting, whether in person or by video. In accordance with Article 6 of the Matters to be Recorded and Complied with in the Handbook of Shareholders' Meetings of Public Offering Companies, amended and issued on December 16, 2021, it is regulated that if the paid-in capital of a listed or over-the-counter company reaches NT\$10 billion or more by the end of the latest fiscal year or the total shareholding ratio of foreign capital and mainland capital recorded in its shareholder register of the listed company is more than 3% when convening general shareholders' meeting in the fiscal year, in order to enable foreign and mainland shareholders to read the relevant information of the shareholders' meeting as soon as possible, the electronic file shall be sent 30 days before the general meeting of shareholders. So Paragraph 4 of this article is amended and Paragraph 5 of this</p>

Article	Amended article	Article	Existing article	Explanation
				article is added. 4.The article series number is changed.
<u>Article 4</u>	Subparagraphs (I)-(II) Omitted After the power of attorney has been served to the Company, if a shareholder intends to attend the Shareholders' Meeting in person <u>or by video</u> , or exercise its voting right in writing or electronic way, such shareholder shall serve written notice on canceling the power of attorney to the Company two days before convening the Shareholders' Meeting; or the voting right exercised by the attending entrusted agent shall prevail.	<u>Article 3</u>	Subparagraphs (I)-(II) Omitted After the power of attorney has been served to the Company, if a shareholder intends to attend the Shareholders' Meeting in person or exercise its voting right in writing or electronic way, such shareholder shall serve written notice on canceling the power of attorney to the Company two days before convening the Shareholders' Meeting; or the voting right exercised by the attending entrusted agent shall prevail.	1. In accordance Paragraph 4 Article 4 of “Sample for Rules of Procedure of XXX Co., Ltd. Shareholders’ Meeting”, subparagraph 3 of this article is amended to regulate shareholders who serve the power of attorney before, but want to attend by video. 2.The article series number is changed.
<u>Article 5</u>	The convening place of Shareholders' Meeting shall be shall be at the place where the Company locates in or convenient for shareholders to attend and suitable for convening Shareholders' Meeting, and the meeting start time shall not be earlier than 9:00am in the morning or 3:00pm in the afternoon; full consideration shall be given to the opinions of independent director regarding the convening place and time. <u>The Company shall not be limited in place when convening video shareholders’ meeting.</u>	<u>Article 4</u>	The convening place of Shareholders' Meeting shall be shall be at the place where the Company locates in or convenient for shareholders to attend and suitable for convening Shareholders' Meeting, and the meeting start time shall not be earlier than 9:00am in the morning or 3:00pm in the afternoon; full consideration shall be given to the opinions of independent director regarding the convening place and time.	1. In accordance Paragraph 2 Article 5 of “Sample for Rules of Procedure of XXX Co., Ltd. Shareholders’ Meeting”, when video shareholders’ meeting is convened, the place is not limited. So subparagraph 2 of this article is added. 2.The article series number is changed.
<u>Article 6</u>	The Company shall specify the accepted shareholder, <u>solicitor and entrusted agency (hereinafter referred as Shareholders)</u> reporting time, registration location, and other matters need attention in the meeting notice. The accepted shareholder's reporting time as mentioned in preceding paragraph shall be at least thirty minutes before meeting start; the registration location shall be marked explicitly, and sufficient competent personnel shall be assigned for handling. <u>Shareholders who register at the</u>	<u>Article 5</u>	The Company shall specify the accepted shareholder's reporting time, registration location, and other matters need attention in the meeting notice. The accepted shareholder's reporting time as mentioned in preceding paragraph shall be at least thirty minutes before meeting start; the registration location shall be marked explicitly, and sufficient competent personnel shall be assigned for handling.	1. In accordance Paragraph 1 and 3 Article 6 of “Sample for Rules of Procedure of XXX Co., Ltd. Shareholders’ Meeting”, the shareholders’ abbreviation is amended in subparagraph 1 and 3 of this article. 2. In accordance Paragraph 2 Article 6 of “Sample for Rules of Procedure of XXX

Article	Amended article	Article	Existing article	Explanation
	<p><u>registration location of the platform 30 minutes before the video meeting shall be deemed as attending the meeting in person. Shareholder shall attend Shareholders' Meeting with certificate of attendance, attendance sign card or other attendance certificates, for the supporting document presented by attending shareholder, the Company shall not arbitrarily otherwise ask for providing other supporting documents; solicitor of proxy solicitation shall bring identity supporting document for checking.</u></p> <p>Subparagraphs (IV) Omitted The Company shall deliver meeting handbook, annual report, certificate of attendance, speech note, vote and other meeting materials to the shareholders attending Shareholders' Meeting; in case of director election, the ballot shall be attached otherwise.</p> <p>Subparagraphs (VI) Omitted <u>In case the shareholders' meeting is convened by video, and shareholders are required to register at the Company if attending by video 2 days before the meeting.</u></p> <p><u>In case the shareholders' meeting is convened by video, the Company shall upload the meeting handbook, annual reports and other related information to the video platform at least 30 minutes before and meeting, and continue to demonstrate till the end of the meeting.</u></p>		<p><u>Shareholders or entrusted agency (hereinafter referred as Shareholders) are required to attend the meeting with meeting attendance card, register card or other certificates. The Company shall not ask for more evidence document. Solicitors are required to take identification for check use.</u></p> <p>Subparagraphs (IV) Omitted The Company shall deliver meeting handbook, annual report, certificate of attendance, speech note, vote and other meeting materials to the shareholders attending Shareholders' Meeting; in case of director or Supervisor election, the ballot shall be attached otherwise.</p> <p>Subparagraphs (VI) Omitted</p>	<p>Co., Ltd. Shareholders' Meeting", subparagraph 2 of this article is amended for specifying shareholders conduct registering procedure.</p> <p>3. The Company has set independent director, so regulations on election supervisor are deleted.</p> <p>4. In accordance Paragraph 7 Article 6 of "Sample for Rules of Procedure of XXX Co., Ltd. Shareholders' Meeting", subparagraph 7 of this article is added for shareholders attending by video to conduct registering procedure.</p> <p>5. In accordance Paragraph 8 Article 6 of "Sample for Rules of Procedure of XXX Co., Ltd. Shareholders' Meeting", subparagraph 8 of this article is added for shareholders attending by video to read meeting handbook and annual report and other information.</p> <p>6. The article series number is changed.</p>
Article 7	<p><u>In case the Company convene shareholders; meeting by video, the following items shall be listed on the notice:</u></p> <p>I. <u>The method to attend the video meeting and exercise shareholders' rights.</u></p> <p>II. <u>In case the video platform or the participation by video is</u></p>			<p>1. The article is added.</p> <p>2. In accordance Paragraph 8 Article 6 of "Sample for Rules of Procedure of XXX Co., Ltd. Shareholders' Meeting", the article is added to inform</p>

Article	Amended article	Article	Existing article	Explanation
	<p><u>malfunctioned for natural disasters, incidents or other force majeure, the disposal methods shall include at least:</u></p> <p><u>(I) The malfunction continues to exist, please specify the delayed or extended date for the meeting.</u></p> <p><u>(II) Shareholders who attended the video meeting without registering shall not attend the delayed or extended meeting.</u></p> <p><u>(III) In convening video meeting, if it is not possible to resume, but the total number of shareholders present at the meeting reach the statutory quota after deducting the number of shareholders attended by video, the shareholders' meeting shall proceed. And shareholders attending by video shall be deemed as waiver to all proposals.</u></p> <p><u>(IV) The disposal method to no extemporary motions but all proposals have been closed.</u></p> <p><u>III. In convening video meeting, proper alternative measures should be specified to provide to shareholders with difficulties. Except for the conditions regulated in Item 6 Paragraph 9 of Article 44 of Rules for Share Disposal of List Company, the Company shall provide at least connection facility and other necessary assist, and specify the time that shareholders conduct application and other matters to be noticed from the Company.</u></p>			shareholders the rights and methods in attending by video and alternative for failing to attend by video.
<u>Article 8</u>	(Omitted)	<u>Article 6</u>	(Omitted)	The article series number is changed, but the content is not amended.
<u>Article 9</u>	<p><u>Subparagraphs (I)-(II) Omitted</u></p> <p><u>In convening video meeting, the Company shall keep the record of shareholders' registration, check in, questions, voting and voting result, and conduct continuous video and audio recording.</u></p> <p><u>The Company shall preserve the materials above and video and audio recording properly during its</u></p>	<u>Article 7</u>	Subparagraphs (I)-(II) Omitted	1. In accordance Paragraph 3 to 5 Article 8 of "Sample for Rules of Procedure of XXX Co., Ltd. Shareholders' Meeting", the subparagraph 3 to 5 are added to regulate the recording and preservation of the

Article	Amended article	Article	Existing article	Explanation
	<p><u>existing period, and entrust the video and audio recordings to video meeting professionals to preserve.</u></p> <p><u>In convening video meeting, the Company should conduct video and audio recording on the background operation interface of the video meeting platform.</u></p>			<p>video meeting progress.</p> <p>2. The article series number is changed.</p>
<p><u>Article 10</u></p>	<p>The presence of shareholders' meeting shall be based on shares, which is calculated by adding shares in written or electronic voting to the shares in register book, payment register card <u>and registered shares on the video meeting platform.</u></p> <p>Subparagraphs (II) Omitted</p> <p>When it is time for meeting, the chairperson shall immediately declare the meeting open, but if the attending shareholders are not representing the majority of total outstanding shares, the chairperson may announce to postpone the meeting, and its time of postponing is limited to two times. If attending shareholders are still not representing more than one third of the total outstanding shares after postponing for two times, the chairperson will announce that the meeting fails to be convened for lack of a quorum. <u>In convening video meeting, the Company should announce that the meeting fails to be convened for lack of a quorum.</u></p> <p>If there is still lack of a quorum but attending shareholders are representing more than one third of the total outstanding shares after postponing for two times as mentioned in preceding paragraph, a tentative resolution may be made pursuant to Paragraph 1, Article 175 of Company Act, and the tentative resolution shall be notified to each shareholder to further convene Shareholders' Meeting within one month. <u>In convening video meeting,</u></p>	<p><u>Article 8</u></p>	<p>The attendance of Shareholders' Meeting shall be subject to the calculation of shares. The attending shares shall be calculated according to the autograph book or the sign card submitted, plus the shares exercising voting right in writing or electronic way.</p> <p>Subparagraphs (II) Omitted</p> <p>When it is time for meeting, the chairperson shall immediately declare the meeting open, but if the attending shareholders are not representing the majority of total outstanding shares, the chairperson may announce to postpone the meeting, and its time of postponing is limited to two times. If attending shareholders are still not representing more than one third of the total outstanding shares after postponing for two times, the chairperson will announce that the meeting fails to be convened for lack of a quorum.</p> <p>If there is still lack of a quorum but attending shareholders are representing more than one third of the total outstanding shares after postponing for two times as mentioned in preceding paragraph, a tentative resolution may be made pursuant to Paragraph 1, Article 175 of Company Act, and the tentative resolution shall be notified to each shareholder to further convene Shareholders' Meeting within one month.</p>	<p>In accordance Paragraph 1 Article 9 of "Sample for Rules of Procedure of XXX Co., Ltd. Shareholders' Meeting", subparagraph 1 of this article is amended to regulate the calculation method of shares in video session assisting shareholders' meeting.</p> <p>2. In accordance Paragraph 3 Article 9 of "Sample for Rules of Procedure of XXX Co., Ltd. Shareholders' Meeting", the subparagraph 3 of this article is amended to inform shareholders of meeting failing to be convened for lack of a quorum on video platform if the chairperson announces the meeting failing information.</p> <p>3. In accordance Paragraph 4 Article 9 of "Sample for Rules of Procedure of XXX Co., Ltd. Shareholders' Meeting", the subparagraph 4 of this article is amended to regulate the procedure for convening video assisting meeting because of lack of a</p>

Article	Amended article	Article	Existing article	Explanation
	<u>shareholders should conduct registration again to the Company according to Article 6 if he want to attend by video.</u>			quorum. 4. The article series number is changed.
<u>Article 11</u>	(Omitted)	<u>Article 9</u>	(Omitted)	The article series number is changed, but the content is not amended.
<u>Article 12</u>	Subparagraphs (I)-(VI) Omitted <u>In convening video meeting, shareholders attending by video are required to ask questions on the meeting platform in words during the period of the chairperson announcing the starting and the ending of the meeting. No more than 2 questions are allowed on 1 proposal with limit of 200 words each time. Not applicable for regulations of subparagraph 1 to 5.</u> <u>The questions complying with the regulations shall be displayed on the platform for other shareholders to know.</u>	<u>Article 10</u>	Subparagraphs (I)-(VI) Omitted	1. In accordance Paragraph 7 and 8 Article 11 of “Sample for Rules of Procedure of XXX Co., Ltd. Shareholders’ Meeting”, subparagraph 7 and 8 of this article are added to regulate the question formulation and the method to inform other shareholders the questions. 2. The article series number is changed.
<u>Article 13</u>	(Omitted)	<u>Article 11</u>	(Omitted)	The article series number is changed, but the content is not amended.
<u>Article 14</u>	Subparagraphs (I)-(III) Omitted After a shareholder has exercised voting right in writing or electronic way, if intends to attend the Shareholders' Meeting in person <u>or by video</u> , such shareholder shall cancel the preceding declaration of intention on exercising voting right in the same way as exercising voting right two days before convening Shareholders' Meeting, or the voting right exercised in writing or electronic way shall prevail. If a shareholder exercises voting right in writing or electronic way and entrusts an agent through power of attorney to attend the Shareholders' Meeting, the voting right exercised by the attending entrusted agent shall prevail. Subparagraphs (V)-(VIII) Omitted <u>In convening video meeting,</u>	<u>Article 12</u>	Subparagraphs (I)-(III) Omitted After a shareholder has exercised voting right in writing or electronic way, if intends to attend the Shareholders' Meeting in person, such shareholder shall cancel the preceding declaration of intention on exercising voting right in the same way as exercising voting right two days before convening Shareholders' Meeting, or the voting right exercised in writing or electronic way shall prevail. If a shareholder exercises voting right in writing or electronic way and entrusts an agent through power of attorney to attend the Shareholders' Meeting, the voting right exercised by the attending entrusted agent shall prevail. Subparagraphs (V)-(VIII) Omitted	1. In accordance Paragraph 4 Article 13 of “Sample for Rules of Procedure of XXX Co., Ltd. Shareholders’ Meeting”, subparagraph 4 of this article is amended to specify the method for shareholders to cancel the preceding declaration of intention after he has exercised voting right in writing or electronic way and intends to attend the Shareholders' Meeting in person. 2. In accordance Paragraph 9 and 10 Article 13 of “Sample for Rules of Procedure

Article	Amended article	Article	Existing article	Explanation
	<p><u>shareholders attending by video are required to conduct proposal voting and election on the video platform after the chairperson announces the starting of the meeting, and finish the voting before the chairperson announces the ending of voting. The overtime voting shall be deemed as a waiver.</u></p> <p><u>In convening video meeting, count the votes after the chairperson announces the ending of voting, and announce the results of proposals and elections.</u></p> <p><u>In convening video meeting, shareholders have been registered to attend by video as regulated in Article 6. If the shareholder intends to attend the Shareholders' Meeting in person, such shareholder shall cancel the preceding declaration of intention on exercising voting right in the same way as exercising voting right two days before convening Shareholders' Meeting. Shareholders with delayed cancellation shall attend the meeting by video only.</u></p> <p><u>If a shareholder exercises voting right in writing or electronic way without canceling his declaration of intention and attends the meeting by video, he shall not vote for the proposal or bring out amendments to proposals or vote for the amendments to proposals except for extemporary motions.</u></p>			<p>of XXX Co., Ltd. Shareholders' Meeting", subparagraph 9 and 10 of this article are added to regulate the votinssg method for proposals by video and disclose the voting results.</p> <p>3. In accordance Paragraph 11 Article 13 of "Sample for Rules of Procedure of XXX Co., Ltd. Shareholders' Meeting", subparagraph 11 of this article is added to regulate the shareholders to change the attending manners from by video to in person.</p> <p>4. In accordance Paragraph 11 Article 13 of "Sample for Rules of Procedure of XXX Co., Ltd. Shareholders' Meeting", basing on Ministry of Economic Affairs,R.O.C. of letter No. 10102404740, issued on February 24, 2012 and explanation letter Shang-Tzu No. 10102414350, issued on May 3, 2012 by Ministry of Economy, the subparagraph 10 of this article is added. Shareholders shall not propose amendments and exercise voting rights if he exercises voting right in electronic way without canceling his declaration of intention, but he may still attend the shareholders' meeting</p>

Article	Amended article	Article	Existing article	Explanation
				and propose extemporary motions and exercise voting right accordingly. For fair treatment, voting in written way shall take the electronic way as standard to guarantee the rights and interests of shareholders. 5. The article series number is changed.
<u>Article 15</u>	(Omitted)	<u>Article 13</u>	(Omitted)	The article series number is changed, but the content is not amended.
<u>Article 16</u>	Subparagraphs (I)-(III) Omitted <u>In convening video meeting, besides the items regulated to be recorded, the following items should be included, which is the starting and finishing time of the meeting, convening means, names of the chairperson and recorder, and the disposal methods and results in case the video platform or the participation by video is malfunctioned for natural disasters, incidents or other force majeure.</u> <u>In convening video meeting, besides the items regulated to be recorded, it is required to specify the alternative measures for shareholders with difficulties by video.</u>	<u>Article 14</u>	Subparagraphs (I)-(III) Omitted	1. In accordance Paragraph 4 and 5 Article 15 of “Sample for Rules of Procedure of XXX Co., Ltd. Shareholders’ Meeting”, subparagraph 4 and 5 are added to inform shareholders the convening means and results of the meeting, the alternative measures for shareholders with difficulties by video, and other alternative measures to be specified in the record. 2. The article series number is changed.
<u>Article 17</u>	For the number of shares obtained by solicitor and the number of shares represented by entrusted agent, <u>and the shares that exercised voting right in writing or electronic way</u> , the Company shall prepare statistical table according to the prescribed form on the date of convening Shareholders' Meeting, and it shall be clearly revealed in the place of Shareholders' Meeting. <u>In case the shareholders’ meeting is convened by video, the Company shall upload the information above to the video platform at least 30</u>	<u>Article 15</u>	For the number of shares obtained by solicitor and the number of shares represented by entrusted agent, the Company shall prepare statistical table according to the prescribed form on the date of convening Shareholders' Meeting, and it shall be clearly revealed in the place of Shareholders' Meeting.	1. In accordance Paragraph 1 and 2 Article 16 of “Sample for Rules of Procedure of XXX Co., Ltd. Shareholders’ Meeting”, subparagraph 1 of this article is amended and subparagraph 2 of this article is added to inform shareholders the total share number in different means. 2. The article series

Article	Amended article	Article	Existing article	Explanation
	<p><u>minutes before and meeting, and continue to demonstrate till the end of the meeting.</u></p> <p><u>In case the shareholders’ meeting is convened by video, before the starting of the meeting, the total shares attending shall be revealed on the video platform. And it is suitable to new shares number and votes in the meeting.</u></p>			number is changed.
<u>Article 18</u>	(Omitted)	<u>Article 16</u>	(Omitted)	The article series number is changed, but the content is not amended.
<u>Article 19</u>	(Omitted)	<u>Article 17</u>	(Omitted)	The article series number is changed, but the content is not amended.
<u>Article 20</u>	<p><u>In case the shareholders’ meeting is convened by video, the Company shall reveal the voting results of proposals and elections in real time on the video platform after the voting is finished, and continue to reveal it at least 15 minutes after the chairperson announces the ending of the meeting.</u></p>			<p>1. The article is added.</p> <p>2. In accordance Article 19 of “Sample for Rules of Procedure of XXX Co., Ltd. Shareholders’ Meeting”, this article is added to inform shareholders attending by video the voting and election results in real time and regulate enough time for information disclosure.</p>
<u>Article 21</u>	<p><u>In convening video meeting, the chairperson and the recorder are required to be the same location at home, and the chairperson shall announce the address at the starting of the meeting.</u></p>			<p>1. The article is added.</p> <p>2. In accordance Article 20 of “Sample for Rules of Procedure of XXX Co., Ltd. Shareholders’ Meeting”, this article is added to regulate that the chairperson and the recorder are required to be the same location at home if there is no spot location for the meeting. In addition, the chairperson shall announce the address at the starting of the meeting so as to</p>

Article	Amended article	Article	Existing article	Explanation
				inform shareholders the information.
Article 22	<p><u>In convening video meeting, the Company shall conduct connection test for shareholders before the meeting, and provide related service before and during the meeting so as to tackle communication problems.</u></p> <p><u>In convening video meeting, the chairperson shall announce the starting of the meeting and separately announce the date of delayed or extended meeting within 5 days after the malfunction for over 30 minutes, caused by natural disasters, incidents or other force majeure, except for the conditions regulated in Item 4 Paragraph 20 of Article 44 of Rules for Share Disposal of List Company, before the ending of the meeting, which is not applicable to the provision of Article 182 of the Company Law.</u></p> <p><u>Unregistered shareholders attending the meeting by video shall not attend the delayed or extended meeting.</u></p> <p><u>If a delayed or extended meeting is convened, for registered shareholders attending by video and not attending the delayed or extended meeting, such shareholders' shares number, voting rights and election right exercised at former meeting shall be counted into the total share number, voting right and election right of the delayed or extended meeting.</u></p> <p><u>If a delayed or extended meeting is convened, proposals that have been announced the results and director election name list shall not proceed to discuss again and resolve.</u></p> <p><u>In convening video meeting, if it is not possible to resume, but the total number of shareholders present at</u></p>			<p>1. The article is added.</p> <p>2. In accordance Article 21 of “Sample for Rules of Procedure of XXX Co., Ltd. Shareholders’ Meeting”, this article is amended to reduce communication problems in video meeting and inform shareholders the disposal means to the meeting failing caused by force majeure.</p>

Article	Amended article	Article	Existing article	Explanation
	<p><u>the meeting reach the statutory quota after deducting the number of shareholders attended by video, the shareholders' meeting shall proceed. And a delayed or extended meeting is not necessary.</u></p> <p><u>In case of the aforesaid conditions, the shares number of shareholders, attending by video, shall be counted into the total shares attending the meeting. But it shall be deemed as a waiver of the proposals of the meeting.</u></p> <p><u>If a delayed or extended meeting is convened, related preparation work shall be conducted according to the provision of Item 7 Paragraph 20 Article 44 of Rules for Share Disposal of List Company and the original meeting date.</u></p> <p><u>According to the regulated period in back part of Article 12 and Paragraph 3 Article 13 of Rules for Power of Attorney Applied in Listed Company's Shareholders' Meeting, Item 2 Paragraph 5 Article 44, Paragraph 15 Article 44 and Item 1 Paragraph 17 Article 44 of Rules for Share Disposal of List Company, the Company shall delay or extend the meeting.</u></p>			
<u>Article 23</u>	<p><u>In convening video meeting, the Company shall provide proper alternative measures for shareholders who is hard to attend by video, at least the connection facilities and necessary help except for the conditions regulated in Item 6 Paragraph 9 Article 44 of Rules for Share Disposal of List Company, and specify the period and matters to be noticed that shareholders conduct applications from the Company.</u></p>			<p>1. The article is added. 2. The reason for amendment is the same with Article 7.</p>
<u>Article 24</u>	<p>These Rules will be implemented after the approval of Shareholders' Meeting, and the same shall apply upon amendment. These Rules was first formulated and passed by on March 9, 2012.</p>	<u>Article 18</u>	<p>These Rules will be implemented after the approval of Shareholders' Meeting, and the same shall apply upon amendment. These Rules was first formulated and passed by on March 9, 2012.</p>	<p>Add the date of amendment and change article</p>

Article	Amended article	Article	Existing article	Explanation
	<p>The first amendment on June 26, 2013.</p> <p>The second amendment on July 23, 2014.</p> <p>The third amendment on June 3, 2015.</p> <p>The fourth amendment on June 27, 2016.</p> <p>The fifth amendment on June 22, 2020.</p> <p>The sixth amendment on July 16, 2021.</p> <p><u>The seventh amendment will be made on June 27, 2023.</u></p>		<p>The first amendment on June 26, 2013.</p> <p>The second amendment on July 23, 2014.</p> <p>The third amendment on June 3, 2015.</p> <p>The fourth amendment on June 27, 2016.</p> <p>The fifth amendment on June 22, 2020.</p> <p>The sixth amendment on July 16, 2021.</p>	

Comparison Table of Procedures for Asset Acquisition & Disposal

OBI Pharma, Inc.

Comparison Table of Procedures for Asset Acquisition & Disposal

Article	Amended article	Existing article	Basis of and reason for amendment
Article 9	<p>Related Party Transaction</p> <p>I. (Omitted)</p> <p>II. Evaluation and Operating Procedures</p> <p>(I) When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$ 300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by half or more of all Audit Committee members and then submitted to the Company for a resolution:</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 transaction counterparty. 3. Information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with paragraph 3 of this Article. 4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction 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 	<p>Related Party Transaction</p> <p>I. (Omitted)</p> <p>II. Evaluation and Operating Procedures</p> <p>(I) When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$ 300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by half or more of all Audit Committee members and then submitted to the Company for a resolution:</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 transaction counterparty. 3. Information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with paragraph 3 of this Article. 4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction 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 	

Article	Amended article	Existing article	Basis of and reason for amendment
	<p>the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>7. Restrictive covenants and other important stipulations associated with the transaction.</p> <p><u>If the difference between the valuation result and the transaction amount is more than 20% of the transaction amount, the Company shall consult accountants for comments on the reason of the difference and the appropriateness of the transaction price. Besides, it shall be submitted to the general meeting with more than two-thirds of the directors being present, and the consent of a majority of the directors should be given.</u></p> <p>Subparagraphs (II)-(V) Omitted (VI) In case related party transaction is involved in the following conditions, the materials listed in the item 1 of this article should be submitted to the shareholders' meeting for resolution, and shareholders with related interests shall not attend to vote:</p> <p>1. <u>Where the Company or its subsidiary which is not a domestic public Company is engaged in the transaction, and the transaction amount reaches more than 10% of the Company's total assets.</u></p> <p>2. <u>Transaction amount and conditions have great impact on the company's operation or shareholders' rights and interests according to the Company Law, Articles of Incorporation or regulations on interior operation procedures.</u></p> <p><u>If the Company is engaged in the transaction regulated in article i, the Company shall submit the transaction</u></p>	<p>the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>7. Restrictive covenants and other important stipulations associated with the transaction.</p> <p>Subparagraphs (II)-(V) Omitted (VI) Where the Company or its subsidiary which is not a domestic public Company is engaged in the transaction specified in subparagraph 1, paragraph 2 of this Article, and the transaction amount reaches more than 10% of the Company's total assets, the Company may sign relevant transaction contract and pay relevant amount only after submitting the data listed in each subparagraph above to the Shareholders' Meeting for approval, which, however, does not apply to the transactions between the Company and its parent Company or subsidiaries, or transactions between subsidiaries.</p>	<p>In order to comply with the updating of Regulations on Financial Business between Related Enterprises, it is planned to supplement the operation procedure in related party transaction, so as to strengthen the management on related party transaction.</p> <p>In order to comply with the updating of Regulations on Financial Business between Related Enterprises, it is planned to add avoidance system related to shareholders' interest, and include related parties transaction that have major impact on company operation and shareholders' rights and interests into the resolutions in the shareholders' meeting, so as to strengthen the management on related party</p>

Article	Amended article	Existing article	Basis of and reason for amendment
	<p><u>details (including the transaction amount, trade conditions and materials listed in article 1) to the shareholders' meeting in the near future after the end of fiscal year.</u></p> <p>Subparagraphs (VII) Omitted III. (Omitted)</p>	<p>Subparagraphs (VII) Omitted III. (Omitted)</p>	<p>transaction.</p>
Article 15	<p>Subparagraphs (I)-(IV) (Omitted)</p>	<p>Subparagraphs (I)-(IV) (Omitted) V. The Company shall not waive future capital injection to OBI Pharma, Inc. and OBI Pharma USA, Inc.. OBI Pharma, Inc. shall not waive future capital injection to OBI Pharma Shanghai, Inc.. In case the Company have to waive future capital injection on the above incorporations for strategies or consent from Taipei Exchange, it has to be passed by special resolution of shareholders' meeting. In case any amendment is conducted to Article V, include it in major information disclosure on public information website and report to Taipei Exchange in letter for record use.</p>	<p>According to Cheng-Kuei-Chien-Tzu No. 1120200470, Taipei Exchange has approve the Company to cancel the commitment not to waive future capital injection on OBI Pharma Limited, OBI Pharma USA Inc. and OBI Pharma (Shanghai) Limited conducted in 2015. thus, it is deleted here.</p>
Article 18	<p>Supplementary Provisions (Omitted above)</p> <p>These operating procedures were first established and submitted to the shareholders' meeting on March 9, 2012.</p> <p>The first amendment was made on June 26, 2013.</p> <p>The second amendment was made on June 13, 2014.</p> <p>The third amendment was made on June 3, 2015.</p> <p>The fourth amendment was made on June 27, 2016.</p> <p>The fifth amendment was made on June 28, 2017.</p> <p>The sixth amendment was made on June 27, 2019.</p> <p>The seventh amendment was made on June 27, 2022.</p> <p><u>The eighth amendment will be made on June 27, 2023.</u></p>	<p>Supplementary Provisions (Omitted above)</p> <p>These operating procedures were first established and submitted to the shareholders' meeting on March 9, 2012.</p> <p>The first amendment was made on June 26, 2013.</p> <p>The second amendment was made on June 13, 2014.</p> <p>The third amendment was made on June 3, 2015.</p> <p>The fourth amendment was made on June 27, 2016.</p> <p>The fifth amendment was made on June 28, 2017.</p> <p>The sixth amendment was made on June 27, 2019.</p> <p>The seventh amendment was made on June 27, 2022.</p>	<p>Add the date of amendment.</p>

**Comparison Table of Rules for Transaction
with Related Parties, Specified Company and
Group Enterprises**

OBI Pharma, Inc.
**Comparison Table of Rules for Transaction with Related Parties,
Specified Company and Group Enterprises**

Article	Amended article	Existing article	Basis of and reason for amendment
Version	AD_10_V5	AD_10_V4	Amended version
6.Transaction Management Content	<p>(I) The Interior Management System on Related Parties, Specific Company and Group Enterprises The Company shall consider the overall operation, and set up effective interior management system involving in <u>related-parties (including related enterprises)</u> transaction, and conduct self-inspection to comply with the changing conditions in and out of the Company, so as to guarantee a continuous effectiveness of the system.</p> <p>The Company shall urge subsidiaries to set up effective interior management system considering the laws and decrees of local government and their operation characters. If related party is a nonpublic company, the impact degree on the Company’s financial business is also in consideration. It shall be required to set up effective interior management system, and management systems in finance, business and accounting aspects.</p> <p>(VI) Management on Transaction with Related Parties, Specific Company and Group Enterprises (1)~(5) Omission</p> <p>(6) The labor service or technology service with related parties, specific company and group enterprises shall be conducted by signing contracts with items of service content, fees, term, receipt and payment terms and after-sale services after being approved by general manager or chairperson of the board. All terms in the contract shall comply with general business rules and related interior management operation.</p> <p><u>For transactions in sale and stock,</u></p>	<p>(I) The Interior Management System on Related Parties, Specific Company and Group Enterprises The Company shall consider the overall operation of it and related enterprises, and set up effective interior management system involving in related-parties (including related enterprises) transaction, and conduct self-inspection to comply with the changing conditions in and out of the Company, so as to guarantee a continuous effectiveness of the system.</p> <p>The Company shall urge subsidiaries to set up effective interior management system considering the laws and decrees of local government and their operation characters. If related party is a nonpublic company, the impact degree on the Company’s financial business is also in consideration. It shall be required to set up effective interior management system, and management systems in finance, business and accounting aspects.</p> <p>(VI) Management on Transaction with Related Parties, Specific Company and Group Enterprises (1)~(5) Omission</p> <p>(6) The labor service or technology service with related parties, specific company and group enterprises shall be conducted by signing contracts with items of service content, fees, term, receipt and payment terms and after-sale services after being approved by general manager or chairperson of the board. All terms in the contract shall comply with general business rules and related interior management operation.</p>	<p>In order to comply with the updating of Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises, regulations on barely related enterprises are amended to strengthen the management on related-parties transaction.</p> <hr/> <p>In order to comply with the updating of Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises, it is regulated that major transactions in sale and</p>

Article	Amended article	Existing article	Basis of and reason for amendment
Version	AD_10_V5	AD_10_V4	Amended version
	<p><u>labor or technical service, the annual transaction amount of which is expected to reach the Company's latest total asset or 5% of the combined net income in the latest fiscal year of the Company, the transactions shall be conducted only with resolutions from the shareholders' meeting of the following information and complying with Procedures for Acquisition or Disposal of Assets or transactions between the Company and subsidiaries or among subsidiaries:</u></p> <p>I. <u>The transaction project, purpose, necessity and expected profit.</u></p> <p>II. <u>The reason for choosing the related parties</u></p> <p>III. <u>The calculating principle of the transaction price and upper limit of the expected annual transaction.</u></p> <p>IV. <u>Whether the transaction terms are complying with general business rules and not harming the Company's benefit and the rights and interests of shareholders.</u></p> <p>V. <u>Restrictions on the transaction and other agreed important matters.</u></p> <p><u>For transactions with aforesaid related parties, specific company and group enterprises, it shall be reported to the shareholders' meeting in the near future by the end of the fiscal year in aspects of the following:</u></p> <p>I. <u>The actual transaction amount and terms.</u></p> <p>II. <u>Whether it is conducted under the transaction price calculating principle passed in shareholders' meeting.</u></p> <p>III. <u>Whether the annual transaction is beyond the upper limit passed in shareholders' meeting. If yes, specify the reason, necessity and reasonability.</u></p> <p>(Below texts omitted)</p>	<p>(Below texts omitted)</p>	<p>stock, labor or technical service shall be conducted only with resolutions from the shareholders' meeting, and conduct report to the shareholders' meeting on the transaction details by the end of fiscal year, so as to strengthen the management on related-parties transaction.</p>

Article	Amended article	Existing article	Basis of and reason for amendment
Version	AD_10_V5	AD_10_V4	Amended version
9. Other specifications	<p>1. Announcement or applied matters and time limit (1) ~ (2) Omission. (3) The major transactions between the Company and related <u>parties</u> shall be completely revealed in annual report, financial statement, the three sheets (balance sheet, income statement and cash flow statement) of related parties and public report. (4) In case that related <u>parties</u> encounter financial turnover difficulty, the Company shall have the access to related parties' financial statement and related information to evaluate the impact on the Company in aspects of finance, business or operation. If necessary, adopt preservative measures on the the Company's creditor's rights. In case of any incident aforesaid happens, besides indicating the impact on the Company's financial situation in annual report and public report, it shall be essential to conduct major information disclosure on public information website in real time. (Below texts omitted)</p>	<p>1. Announcement or applied matters and time limit (1) ~ (2) Omission. (3) The major transactions between the Company and related enterprises shall be completely revealed in annual report, financial statement, the three sheets (balance sheet, income statement and cash flow statement) of related parties and public report. (4) In case that related enterprises encounter financial turnover difficulty, the Company shall have the access to related parties' financial statement and related information to evaluate the impact on the Company in aspects of finance, business or operation. If necessary, adopt preservative measures on the the Company's creditor's rights. In case of any incident aforesaid happens, besides indicating the impact on the Company's financial situation in annual report and public report, it shall be essential to conduct major information disclosure on public information website in real time. (Below texts omitted)</p>	<p>In order to comply with the updating of Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises, regulations on barely related enterprises are amended to strengthen the management on related-parties transaction.</p>
12. Effective and Amendment	<p>The operating procedures are sponsored by the accounting department of the Company. These operating procedures shall be approved by the Board of Directors and submitted to the shareholders' meeting for approval before they are announced and implemented, and the same applies to any amendments. These operating procedures were first established and submitted to the shareholders' meeting on March 9, 2012. The operating procedures were first revised on June 13, 2014. The second revision of this procedure was made on July 23, 2014. The third revision of this procedure was made on July 16, 2021.</p>	<p>The operating procedures are sponsored by the accounting department of the Company. These operating procedures shall be approved by the Board of Directors and submitted to the shareholders' meeting for approval before they are announced and implemented, and the same applies to any amendments. These operating procedures were first established and submitted to the shareholders' meeting on March 9, 2012. The operating procedures were first revised on June 13, 2014. The second revision of this procedure was made on July 23, 2014. The third revision of this procedure was made on July 16, 2021.</p>	<p>Add the date of amendment.</p>

Article	Amended article	Existing article	Basis of and reason for amendment
Version	AD_10_V <u>5</u>	AD_10_V <u>4</u>	Amended version
	<u>The fourth amendment will be made on June 27, 2023.</u>		