

[Appendix 2]

# Articles of Incorporation of Medigen Biotechnology Corporation

## Chapter 1 General Provisions

- Article 1 In accordance with the rules for organizing a company limited by shares under the Company Act, the Company is named Medigen Biotechnology Corporation.
- Article 2 The Company's business operation items are listed on the left:
- I. IZ99990 Other business and commercial services.
  - II. F401010 International Trade.
  - III. F107070 Animal Use Drugs Wholesale Industry.
  - IV. F207070 Retail Sale of Veterinary Drugs.
  - V. F108021 Wholesale of Drugs and Medicines.
  - VI. F208021 Retail Sale of Western Pharmaceuticals
  - VII. C802041 Manufacture of Drugs and Medicines.
  - VIII. C802990 Manufacture of Other Chemical Products
  - IX. F107990 Wholesale of Other Chemical Products
  - X. F108031 Wholesale of Medical Devices.
  - XI. F207990 Retail Sale of Other Chemical Products
  - XII. F208031 Retail Sale of Medical Equipment.
  - XIII. JE01010 Rental Business
  - XIV. IC01010 Testing of Pharmaceutical Drugs
  - XV. IG01010 Biotechnology Services.
  - XVI. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 2-1 The Company may endorse or reinvest in a third-party out of business needs. In case a reinvestment has made the Company a shareholder with limited liability of another company, the total amount of investment may be exempt from the restrictions stipulated in Article 13 of the Company Act.
- Article 3 The Company is headquartered in Taipei City. It may set up branch offices in appropriate locations in Taiwan and abroad, depending on the actual needs.
- Article 4 The Company makes public announcements in methods consistent with regulations stipulated in Article 28 of the Company Act.

## Chapter 2 Shares

- Article 5 The total amount of the Company's share capital is set at NT\$2,500,000,000. It is divided into 250 million shares. The par value of each share is NT\$10. The Board of

- Directors is authorized to take a vote on issuing them in several batches. In particular, 21 million shares are reserved for the issuance of employee stock option certificates.
- Article 6 The Company's stocks should be numbered and bear the signature or stamp of the Director that represents the Company. Before the stocks are issued, they should be underwritten by a bank certified by law to serve as underwriter in a new stock offering. After the IPO, the Company may choose against printing when it issues new stocks. It should approach a centralized securities depository enterprise to register the aforementioned shares that have been issued.
- Article 7 All of the Company's stocks are registered. Shareholders should provide their names, residence or addresses for the Company to log them in the shareholders' register. They should also provide their signature cards to the Company for archival purposes. In case a shareholder is a juristic person, a signature card bearing the full name of that juristic person should be provided to the Company for archival purposes. A corporate shareholder may request that a signature card of its representative be registered and sent to the Company for archival purposes.
- Article 8 In case a registered stamp in a shareholder's custody is lost, he or she should produce a letter of guarantee and submit an application to the Company to switch to another stamp.
- Article 9 In the event of a stock transfer, both the transferrer and the transferee should fill out and sign/stamp application forms, before applying for a transfer with the Company. Stock transfers not recorded in the shareholders' register shall not be used to challenge the Company.
- Article 10 Stock transfers shall be suspended within 60 days of each annual shareholders' meeting and 30 days within an extraordinary shareholders' meeting.
- Article 11 With respect to other matters relating to administration of shareholder services, the Company abides by the "Regulations Governing the Administration of Shareholder Services of Public Companies" formulated by regulators, unless otherwise stipulated in laws and securities regulations.

### **Chapter 3 Shareholders' Meetings**

- Article 12 Shareholders' meetings are divided into two types, namely annual shareholders' meetings and extraordinary shareholders' meetings. Annual shareholders' meetings, held once every year, are convened by the Board of Directors within six months after the conclusion of each fiscal year. However, such restrictions do not apply when there is a just cause and regulatory approval has been granted. Matters relating to convening annual shareholders' meetings and extraordinary shareholders' meetings are conducted in accordance with Articles 172, 173, 220 and 245 of the Company Act.
- Article 12-1 The Company may conduct a shareholders' meeting via videoconferencing, or by other

methods promulgated by authorities at the national level. When a shareholders' meeting is conducted via videoconferencing, the Company should abide by related regulations in terms of the criteria, operating procedures and other items to be observed.

- Article 13 A resolution at a shareholders' meeting is only valid when the attending shareholders represent more than half of the issued shares, unless otherwise stipulated in related regulations. A resolution is approved when more than 50% of the attending shareholders' voting rights are in favor of it.
- Article 14 Unless otherwise stipulated as shares with no voting rights in Article 179 of the Company Act and other regulations, each share held by a shareholder counts as one voting right.
- Article 15 In case a shareholder is unable to attend a shareholders' meeting, he or she may produce a proxy form issued by the Company containing clearly stated scope of authorization and the stamp left with the Company, before commissioning a proxy to attend the shareholders' meeting. When a person has been commissioned by more than two shareholders simultaneously, the proxy voting rights shall not exceed 3% of the voting rights of the total number of issued shares. The voting rights of shares exceeding this limit shall not count.
- Article 16 When a shareholders' meeting is in session, the Chairman of the Board of Directors shall be the chairperson. When the Chairman is on leave or when he or she is unable to perform his or her duties, he or she may designate one Director to act as the chairperson on his or her behalf. In case the Chairman fails to designate a proxy, Directors will choose one from among themselves. In case a shareholders' meeting is convened by an individual outside the Board of Directors with the convening right, he/she shall act as the chairperson of that meeting provided, however, that if there are two or more persons having the convening right, the chairperson of the meeting shall be elected from among themselves.
- Article 17 Shareholders' meeting minutes should bear the chairperson's signature or stamp. Meeting minutes shall be distributed to each shareholder within 20 days of the meeting, and such distribution may be replaced with a public announcement.

#### **Chapter 4 Directors, Audit Committee and Managers**

- Article 18 The Company shall install seven to eleven Directors, with a tenure of three years. Directors who are reelected can continue to serve. The combined shareholding ratio of Directors shall be dictated by securities regulators. The Company may purchase insurance policies for its Directors against liabilities within the scope of their business operations, and in line with their compensation liabilities as required by law.
- Article 19 With respect to the aforementioned quota of Directors, the Company shall appoint no fewer than three independent directors, and their share shall be no less than one fifth of the seats on the Board of Directors. The Company shall abide by related regulations by

securities regulators with respect to independent directors' professional qualifications, shareholding, concurrent serving restrictions, methods of nomination and election, as well as other items that should be observed. The candidate nomination system shall be adopted for all Directors. Directors shall be elected from a list of candidates in a shareholders' meeting. The Company shall abide by the Company Act and related regulations, such as the Securities and Exchange Act with respect to administering and promulgating the nomination of candidates.

Article 20                    The Board of Directors is made up of Directors, and its job functions are listed on the left:

- I.        Business plans drafting
- II.       Submission of bills for surplus distribution or loss compensation
- III.      Submission of bills for capital increase/reduction
- IV.      Formulation of important rules and contract drafting
- V.       Appointment and discharge of the Company's General Manager, Deputy General Managers, and Senior Managers
- VI.      Review and confirmation of reinvestment in other businesses
- VII.     Establishment and dissolution of branch offices
- VIII.    Compilation of budgets and final accounts
- IX.      Appointment and discharge of CPAs
- X.       Other job functions that are invested in accordance with the Company Act and shareholders' meeting resolutions

However, approval of a resolution to reinvest in other businesses requires a majority vote in a Board of Directors meeting attended by more than two thirds of its Directors.

Article 21                    The Board of Directors shall elect a Chairman from among the Directors by a majority vote at a meeting attended by more than two thirds of the Directors. The Chairman represents the Company. In case the Chairman is on leave or unable to perform his or her job duties, the Company shall abide by Article 208 of the Company Act.

Article 22                    Unless otherwise stipulated in the Company Act, the Board of Directors shall be convened by the Chairman. Approval of a resolution at the Board of Directors shall require a majority vote at a meeting attended by more than one half of the Directors, unless otherwise stipulated in the Company Act.

Article 22-1                  All Directors should be notified at least seven days prior to a Board meeting, with reasons for convening such a meeting clearly stated. However, in the event of urgent matters, the meeting may be convened at any time. Notices for convening a Board meeting may be served in writing, by fax, or via emails.

Article 23                    When a Director is unable to attend a Board meeting in person, he or she may commission another Director to attend as his or her proxy pursuant to law. However, the aforementioned proxy may only be commissioned by no more than one person.

Article 24                    The Company has set up an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. With effect from the day the Audit Committee was

established, it has replaced Supervisors and their job duties stipulated in the Company Act, Securities and Exchange Act and other related regulations.

The Audit Committee shall be made up of all of the Company's independent directors. One of them shall serve as the convener. With respect to the number of members, tenure, job duties, rules of procedure and other matters that should be observed, the Audit Committee Organizational Rules shall be formulated separately.

Article 25 Deleted

Article 26 The Company shall install one General Manager, who shall be appointed or discharged with a majority vote at the Board of Directors. The General Manager shall follow Board of Directors resolutions to process the Company's business operations. His or her job duties are listed on the left:

- I. Responsible for administering and managing the Company's daily operations, including all R&D, clinical trials, technological cooperation, manufacturing, and the formulation, submission and execution of sales and operational plans
- II. Responsible for the Company's administrative management and formulation of related systems, including various systems, rules, measures, and the formulation, submission and execution of enforcement rules
- III. Responsible for managing the Company's financial and accounting operations, including regular compilation of financial statements, annual business plans and budgets, which shall be submitted to the Board of Directors for approval in accordance with regulations in the Articles of Incorporation
- IV. Oversight and management of responsible persons, as well as HR policy formulation, including confirmation of personnel appointment and discharge, transfer, assessment, and remuneration
- V. Other job duties assigned by the Board of Directors pertaining to corporate operation and management
- VI. The General Manager shall submit written reports to the Board of Directors on a regular basis, detailing progress and updates relating to the Company's business operations, and financial and administrative management.

Article 27 Aside from one General manager, the Company shall install several Deputy General Managers, whose appointment, discharge and remuneration shall be conducted and decided upon in accordance with Article 29 of the Company Act.

Article 27-1 The Board of Directors is authorized to decide on the remuneration of the Chairman and Directors, which shall be commensurate with their level of involvement in the Company's operations as well as the value of their contribution. Industrial standards in Taiwan and abroad should also be taken into consideration.

## **Chapter 5 Accounting**

Article 28 The Company's fiscal year starts from January 1 of each year, and ends on December

31. Final accounts should be conducted at the end of each fiscal year. After the annual final accounts, the Board of Directors shall produce the following lists and documents pursuant to the Company Act, and submit them to the Audit Committee for consent. Upon approval from the Board of Directors, they shall be submitted to the annual shareholders' meeting for recognition:

- I. Business report
- II. Financial statements
- III. Bills pertaining to surplus distribution or loss compensation

Article 29

In case of a profit at the end of a fiscal year, the Company shall appropriate no less than 2% of the profit as employee remuneration. In addition, no more than 2% of the profit shall be appropriated as remuneration for Directors. However, an amount shall be set aside in advance to compensate for cumulative losses, if any. The remaining amount shall be distributed in accordance with the aforementioned ratio. The distribution of employee remuneration in stocks or cash in the preceding paragraph shall include employees of affiliated companies that satisfy certain criteria. If the Company has earnings in the final accounts of the year, the earnings shall first be used to offset the deficits in previous years. 10% of the remaining balance shall be appropriated as legal reserve. However, this requirement does not apply if the legal reserve has reached the total capital amount. In addition, after the Company appropriated or reversed the special surplus reserve in accordance with its needs and regulatory requirements, the Board of Directors shall draft the proposal for dividend allocation for any remaining profit and submit it along with accumulated undistributed earnings to the shareholder's meeting for a resolution on the distribution of earnings.

Article 29-1

The Company's dividend policy includes distribution of stock dividends (including stock dividends from surplus and capital reserves) or cash dividends. The Board of Directors should reference and evaluate the Company's operational situation, capital needs and surplus at the end of a fiscal year (after deducting required deposits, distribution of Director and Supervisor compensation and employee bonuses), before drafting and submitting a surplus distribution bill to the shareholders' meeting for approval. The total amount of shareholder dividend distribution shall be no less than 50% of the Company's distributable surplus at the end of a fiscal year. In principle, cash dividend shall be no less than 10% of all dividends distributed. However, in case the Company has a major capital outlay plan or foreseeable needs for operational cash in the future, dividends may be distributed entirely as stock dividends with consent from the shareholders' meeting.

Article 30

In case the Company's shareholders or Directors double as its managers or employees, they shall all be deemed as normal employees on company payroll.

## **Chapter 6 Supplementary Provisions**

- Article 31               The Company's organizational rules and bylaws shall be formulated separately.
- Article 32               In the event of inadequacies in these Articles of Incorporation, the Company shall abide by the Company Act entirely.
- Article 33               These Articles of Incorporation were formulated on December 29, 1999 with consent from all the founders.
- Amended for the first time on Jan. 11, 2000;
- Amended for the second time on Aug. 23, 2000;
- Amended for the third time on Nov. 28, 2000;
- Amended for the fourth time on Aug. 13, 2001;
- Amended for the fifth time on May 9, 2002;
- Amended for the sixth time on June 9, 2003;
- Amended for the seventh time on June 20, 2006;
- Amended for the eighth time on June 29, 2007;
- Amended for the ninth time on Oct. 12, 2007;
- Amended for the tenth time on June 24, 2010;
- Amended for the 11th time on May 18, 2011;
- Amended for the 12th time on June 14, 2013;
- Amended for the 13th time on June 28, 2016;
- Amended for the 14th time on June 6, 2018;
- Amended for the 15th time on June 4, 2019;
- Amended for the 16th time on June 22, 2020;
- Amended for the 17th time on Aug. 2, 2021;
- Amended for the 18th time on June 6, 2022;