

Stock Code: 8432



東生華製藥股份有限公司
tsh biopharm corporation ltd.

2023 Annual General Shareholders' Meeting

Agenda Handbooks

Type of Meeting: Physical Shareholders' Meeting
Time: May 25, 2023
Venue: International Convention Center of Nangang Software
Park (Building A, 2nd Floor, No. 19-10, Sanchong
Road, Nangang District, Taipei City)

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I. Agenda

TSH Biopharm Corporation Ltd.

2023 General Shareholders' Meeting Agenda

Time: 9:00 a.m. on May 25, 2023 (Thursday)

Venue: International Convention Center of Nangang Software Park
(Building A, 2nd Floor, No. 19-10, Sanchong Road,
Nangang District, Taipei City)

Meeting procedures:

1. Call the meeting to order (report on the number of shares represented by attending shareholders)
2. Meeting formalities
3. Chairman's remarks
4. Report items
 - (1) The Company's 2022 Business Report.
 - (2) The Audit Committee reviews the report on the financial statements of 2022.
 - (3) Report on the distribution of compensation to employees and directors of 2022.
5. Acknowledged items
 - (1) The Company's 2022 Business Report and financial statements.
 - (2) The Company's Earnings Distribution Proposal for 2022.
6. Items for discussion
 - (1) Proposal on the revision of the Company's "Articles of Incorporation."
7. Election items
 - (1) Proposal on general election of directors.
8. Other proposals
 - (1) Proposal on lifting the non-compete restriction on newly elected directors and their representatives.
9. Extemporaneous motions
10. Meeting Adjourned

II. Report items

No.1

Case: The Company's 2022 Business Report is hereby submitted for your review.

Description: For the Company's 2022 Business Report, please refer to Attachment 1 of this Handbook on p.9-p.13.

No.2

Case: The Audit Committee's review of the financial statements for 2022 is hereby submitted for your review.

Description:

1. The Company's annual financial statements, Business Report, and Earnings Distribution Statement for 2022 have been reviewed by the Audit Committee.
2. For the Audit Committee's Review Report, please refer to Attachment 2 of this Handbook on p.14.

No.3

Case: The report on the distribution of compensation to employees and directors of 2022 is hereby submitted for your review.

Description: The Company's profit before tax for 2022 inclusive of employee compensation and director compensation was NT\$80,195,729. Pursuant to Article 29 of the Company's Articles of Incorporation, the Company distributed 2% of such profit as employee compensation, which was NT\$1,603,915, and another 1.99% of such profit as director compensation, which was NT\$1,603,914; both were paid in cash. There is no difference between the said distributed amount and the estimated amount recognized as expenses in 2022.

III. Acknowledged items

No.1

Proposed by the Board of Directors

Case: The Company's Business Report and financial statements for 2022 are hereby submitted for your adoption.

Description:

1. The Board of Directors has approved the Company's 2022 Business Report and financial statements, of which the financial statements were audited by CPA Shin-Ting Huang and CPA Yilien Han from KPMG Taiwan, who have also issued an independent auditors' report containing their unqualified opinion.
2. The said Business Report and financial statements have already been reviewed by the Audit Committee and are hereby submitted for your adoption.
3. For the Company's Business Report and financial statements for 2022, please refer to Attachment 1 of this Handbook and Attachment 3 of this Handbook on p.9–p.13 and p.15–p.22, respectively.

Resolution:

No.2

Proposed by the Board of Directors

Case: The Company's 2022 Earnings Distribution Proposal is hereby submitted for your adoption.

Description:

1. The Company intends to take from the distributable earnings an amount of NT\$61,437,024 as shareholders' cash dividends; each share in the possession of the shareholders in the Shareholder Register on the record date is entitled to NT\$1.6. The amount of dividends distributed to each shareholder will be paid in integers, with the fraction thereof recognized as the Company's other income. After the distribution is approved by the Annual Shareholders' Meeting, the Chairman of the Board of Directors is authorized to determine the ex-dividend date and payable date, among other related matters.
2. If there is a subsequent change in the Company's share capital that affects the number of shares outstanding and thus the dividend payout ratio, it is proposed that the Chairman of the Board of Directors be authorized by the Shareholders' Meeting to handle all related matters at his/her discretion.
3. Below is the Earnings Distribution Statement for 2022:

TSH Biopharm Corporation Ltd.

Earnings Distribution Statement for 2022

Unit: NT\$

Item	Amount	Remark
Unappropriated retained earnings at the beginning of the period	50,755,779	
Add: Profits for the year 2022	61,889,892	
Less: Provision of legal reserves (10%)	6,188,989	
Less: Provision of special reserves	4,417,794	
Distributable earnings for the current period:	102,038,888	
Distribution item:		
Cash dividends	61,437,024	Cash dividends of NT\$1.60 per share
Unappropriated retained earnings at the end of the period	40,601,864	

Note: The said shareholder dividends are calculated as of February 24, 2023 based on the Company's outstanding common shares in the number of 38,398,140 shares.

Chairman: Chuan Lin General Manager: Sze-Yuan Yang Accounting Manager: Chen-Ju Kan

Resolution:

IV. Items for Discussion

No.1

Proposed by the Board of Directors

Case: The proposal on the revision of the Company’s “Articles of Incorporation” is hereby submitted for your discussion.

Description:

1. To revise some clauses of the Company’s “Articles of Incorporation” to align it with the laws and regulations and the Company’s actual operational needs.
2. Below is a comparison table of the Company’s Articles of Incorporation before and after revision:

Clause before revision	Clause after revision	Description of revision
<p>Article 10</p> <p>An Annual Shareholders’ Meeting shall be convened once a year within 6 months after the end of a fiscal year. An Extraordinary Shareholders’ Meeting may be convened at any time in the manner specified in law whenever required.</p> <p><u>(This part is newly added)</u></p>	<p>Article 10</p> <p>An Annual Shareholders’ Meeting shall be convened once a year within 6 months after the end of a fiscal year. An Extraordinary Shareholders’ Meeting may be convened at any time in the manner specified in law whenever required.</p> <p><u>The Company’s convening a Shareholders’ Meeting may be by video conferencing or other means announced by the competent authority.</u></p> <p><u>The qualifications, operating procedures, and other compliance matters required for holding a video conference shall be in accordance with the regulations of the competent authority.</u></p>	<p>Revised to align with laws and regulations and the Company’s actual operating needs.</p>
<p>Article 15</p> <p>Matters relating to the resolutions of a shareholders’ meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the Chairman of the meeting. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the Chairman’s full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results. The minutes shall be retained for the duration of the existence of the Company.</p> <p>(Omitted)</p>	<p>Article 15</p> <p>Matters relating to the resolutions of a shareholders’ meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the Chairman of the meeting <u>and a copy shall be distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be distributed by means of announcements.</u> The meeting minutes shall accurately record the year, month, day, and place of the meeting, the Chairman’s full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results. The minutes shall be retained for the duration of the existence of the Company.</p> <p>(Omitted)</p>	<p>Revised to align with laws and regulations and the Company’s actual operating needs.</p>

Clause before revision	Clause after revision	Description of revision
<p>Article 17</p> <p>The Company shall have <u>five</u> to <u>seven</u> directors, who shall be elected by the shareholders' meeting from among the director nominees list through a candidate nomination system. The term of office for directors shall be three years and the directors may be re-elected; if the term of office expires before the following election takes place, the term of office may be extended until the newly elected directors take office. The total registered shares owned by the directors of the Company shall be in accordance with the standard set forth in the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies" promulgated by the competent authority.</p> <p>(Omitted)</p>	<p>Article 17</p> <p>The Company shall have <u>seven</u> to <u>eleven</u> directors, who shall be elected by the shareholders' meeting from among the director nominees list through a candidate nomination system. The term of office for directors shall be three years and the directors may be re-elected; if the term of office expires before the following election takes place, the term of office may be extended until the newly elected directors take office. The total registered shares owned by the directors of the Company shall be in accordance with the standard set forth in the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies" promulgated by the competent authority.</p> <p>(Omitted)</p>	<p>Revised to align with the Company's actual operational needs.</p>
<p>Article 33</p> <p>This Articles of Incorporation was established on June 25, 2010.</p> <p>The 1st revision was made on December 20, 2010.</p> <p>The 2nd revision was made on October 6, 2011.</p> <p>The 3rd revision was made on June 19, 2013.</p> <p>The 4th revision was made on June 23, 2015.</p> <p>The 5th revision was made on June 23, 2016.</p> <p>The 6th revision was made on June 15, 2017.</p> <p>The 7th revision was made on June 15, 2018.</p> <p>The 8th revision was made on May 29, 2020.</p>	<p>Article 33</p> <p>This Articles of Incorporation was established on June 25, 2010.</p> <p>The 1st revision was made on December 20, 2010.</p> <p>The 2nd revision was made on October 6, 2011.</p> <p>The 3rd revision was made on June 19, 2013.</p> <p>The 4th revision was made on June 23, 2015.</p> <p>The 5th revision was made on June 23, 2016.</p> <p>The 6th revision was made on June 15, 2017.</p> <p>The 7th revision was made on June 15, 2018.</p> <p>The 8th revision was made on May 29, 2020.</p> <p>The 9th revision was made on May 25, 2023.</p>	<p>Add a revision date.</p>

Resolutions:

V. Election items

No.1

Proposed by the Board of Directors

Case: It is proposed to hold a general election of directors.

Description:

1. The directors of the current Board of Directors will be leaving office on May 28, 2023. Therefore, the Company intends to hold a general election of directors at this Annual Shareholders' Meeting. The incumbent directors will leave office once new directors are elected.
2. Pursuant to the Company's Articles of Incorporation, seven directors (including three independent directors) must be elected this time through a candidate nomination system. The term of office for newly elected directors shall be three years, from May 25, 2023 through May 24, 2026.
3. The Board of Directors had resolved to approve the list of candidates for directors (including independent directors) on April 13, 2023, please refer to Attachment 4 of this Handbook on p.23–p.25.

Election results:

VI. Other proposals

No.1

Proposed by the Board of Directors

Case: The proposal to lift the non-compete restriction on new directors and their representatives is hereby submitted for your discussion.

Description:

1. To align with the Company's business strategy and the need for business expansion, it is proposed that the Shareholders' Meeting give its consent to allow the Company's directors and their representatives to engage in business conduct within the Company's business scope, for either themselves or others, i.e. exempting them from being restricted by Article 209 of the Company Act.
2. For the details of candidates for directors' (including independent directors) current positions at other companies, please refer to Attachment 5 of the Handbook on p.26.

Resolutions:

VII. Extemporaneous motions

VIII. Meeting adjourned

IX. Attachments

Attachment 1

TSH Biopharm Corporation Ltd. Business Report

The Company's business achievements in 2022

(i) Business Plan implementation results

The Company's net operating income in 2022 was NT\$464,378 thousand, up NT\$50,895 thousand, or 12.31%, from NT\$413,483 thousand in 2021. Profit for year 2022 was NT\$61,890 thousand, up NT\$14,782 thousand, or 31.38%, from NT\$47,108 thousand in 2021. The main revenue came from the drugs for cardiovascular diseases and gastrointestinal diseases and the testing products of precision medicine. Revenue and profit increased due to the growth in cardiovascular products and the products that patients pay their own expenses, in 2022.

(ii) Budget implementation status

The Company's net operating revenue in 2022 was NT\$464,378 thousand, which was 91% of the set annual budget target.

(iii) Analysis of income and expenses and profitability

Item	Year	January 1, 2022 through December 31, 2022
Income and expenditures	Interest income (in NT\$1,000)	3,224
	Interest expenses (in NT\$1,000)	29
Profitability analysis	Return on assets (%)	5.33
	Return on equity (%)	5.75
	Profit margin (%)	13.33
	Diluted earnings per share (in NT\$1)	1.61

(iv) Research and development condition

Below is a summary of the products the Company introduced or developed in 2022:

- July 2022:
Added a cancer gene detection service item to the business lines for which the Company is an exclusive agent for a Korean principal.
- August 2022:
Officially launched the project on developing the hypolipidemic drug IECA22, a Taiwan new chemical entity (TNCE).
- August 2022:
Obtained an authorization to market Amtrel® as a new chemical entity (NCE) in Myanmar.
- September 2022:
Signed a contract with Chi Mei Hospital to act as an agent for the sale of its lung cancer diagnosis and detection service products.

- October 2022:
Obtained an authorization to market Rhynorm®, an anti-arrhythmic drug, in Hong Kong.
- December 2022:
Officially launched the projects on developing EDIA20, a drug for rare diseases.
- December 2022:
TRIAS (T20), a biosimilar, was undergoing Taiwan’s Biologics License Application (BLA) process for registration purpose.

Summary of the 2023 Business Plan:

(i) Business policy

TSH has been entered a “5-Year Dual-track Transformation Period”: TSH has been accelerated the rate of diversifying its product portfolio by adopting a double-engine strategy, namely, “License-in” and “Self-development.” Most of the ongoing projects are based on TNCE. Originally, TFDA required that a TNCE submitted for license application must had been on the market in an advanced foreign country for 10 years or more; it later reduced the requirement to 5 years to encourage and accelerate domestic development. The Company’s products under independent development or joint development include NCEs and 505B2 (such as biosimilars, new compound drugs, and new dosage forms). The 5-year plan had aimed to put at least 3 new drugs on the market. As of the end of 2021, TSH already obtained 3 drug licenses separately for Rancad® Extended Release; Cretrol tablet, a new compound hypolipidemic drug; and Alprosm Lyophilized Powder for Injection. The Taiwan Headquarters aims to become the major sources of new products in the future; it will continue to develop new products and put them on Taiwan and Asian markets, and will seek the opportunities to license out self-developed products, mainly to companies in overseas pharmaceutical markets, e.g. China, the US, Japan, and Europe. As for overseas sales, the Company actively sought to have its drugs registered with the competent authorities in Southeast Asia over the past four years and obtained two drug licenses in overseas markets as of 2022. We also kick started the assessment and development of multiple new projects over the past 3 years. Currently, we have eight undergoing drug development projects. In 2023, we expect to file an application for a marketing license for new products to be marketed in target markets, so as to provide patients with more treatment options.

Our patient care team not only acted as an agent for the sale of products of Korean partners and German partners, but also worked with Korean partners to launch new products tailored to the needs of the Taiwan market. In addition, we also acted as an agent for the sale of Chi Mei Hospital’s lung cancer diagnosis and detection service. Furthermore, we have also had discussions with internationally renowned testing companies on collaboration on multiple products, and with other companies on the collaboration on pharmaceutical equipment, in the hope to improve our product portfolio in the future, thereby improving the living qualities of patients suffering from chronic diseases.

The Company was granted three awards in 2022 for its unremitting endeavor to improve its corporate governance, brand image, and talent cultivation. Such awards include the following:

- (1) Ranked among the top 5% on the list of companies participating in the “Corporate Governance Evaluation for OTC-traded Companies”: Of the 790 OTC-traded companies, only 36 were among the top 5%, of which only seven companies were biotech companies, including TSH, TTY, PAHSCO, MICROBIO, MedFirst, Oneness, and EIRGENIX.
- (2) The 1st TIRI Awards: Only five winners, including three exchange-traded companies,

namely, TSMC, Global Unichip Corporation, and FDC INTERNATIONAL, and two OTC-traded companies, namely, TSH and E Ink.

- (3) 2022 HR Asia – Best Companies to Work for in Asia: This is the first time TSH has participated in this award, and it won. There were 330 companies took part in the selection around Taiwan, only 97, roughly 30%, passed.

We have laid a solid foundation for development and built team consensus in 2022. In 2023, we will continue to strive towards the goals of the 5-year plan, aiming to bring more benefits and corporate value to shareholders and employees.

- (ii) Expected volume of sale, and the basis for such expectation

The Company expects to sell 176,361 thousand tablets of oral preparations and 58 thousand injections in 2023. The expected sales volume is based on the statistical report of IMS, taking into account future market competition and changes in supply and demand.

- (iii) Important production and marketing policy:

1. Business plan

- The Company will accelerate the proportion of business growth by means of exports of self-developed products and license-out of products at the early stage of development to overseas companies. In addition, aside from making progress in the application of drug license around the world, the Company will co-develop new drugs at the early stage of development with international partners and create value therefor and will use a “Double-engine strategy” to develop international drugs and do international marketing.
- The new business model of biotechnology industry: The Company will introduce products in relation to personalized medicine. The rise of personalized medicine has made testing part of treatment or preventive medicine. In addition, AI has become increasingly available. TSH will continue to put more testing products on the market to meet more clinical needs.

2. Production strategy

The Company will maintain its past strategy, which was designed to outsource the production of pharmaceuticals to contract manufacturers. Currently, the production of all products is outsourced to PIC/S GMP-certified manufacturers. In addition, temperature control during storage and transportation is the key to maintaining the quality of drugs throughout the entire distribution chain. Therefore, in line with the “Western Pharmaceuticals Good Distribution Practice (GDP) Regulations” promulgated by the government, the Company has included substances in its GDP scope, and will include medical equipment in the future.

The same strategy for pharmaceuticals is adopted for the Company’s testing business, that is, working closely with internationally certified laboratories. Meanwhile, the Company will pay close attention to the key points and impact of the implementation of the “Draft Amendment of Regulations Governing the Application of Specific Medical Technique and Medical Device.” Having collaborated with Korean testing companies, German testing companies, and Taiwan’s medical institutions for the past 3 years, the Company is able to provide target audience with testing items of internationally recognized standards and offer physicians the best tool for cancer treatment and for assessing the risk of acquiring a cancer.

3. Marketing and R&D strategy

Double engines propelling on three tracks to provide better healthcare services

We will remain “customer-oriented” and adopt a double-engine system propelling on three tracks; we will also focus on “traditional pharmaceuticals manufacture” and “Innovative medicine” to provide a product portfolio to satisfy patients’ unmet medical needs; deeply engage in new ingredients, special dosage forms, chronic disease treatment, genetic testing, cancer testing, and co-development of innovative medical treatment methods; and become the best partners of international innovative biotechnology companies in developing and marketing new drugs in Asia, striving to provide the human being with healthcare services before, during, and after medical treatment.

Company’s development strategy

Corporate Vision: Improve the quality of life of patients and become the best strategic partner in development and marketing in Asia for international innovative biotechnology companies!

Business goals:

- ✓ Focus: Focusing on the quality of life of patients with unmet medical needs by providing them with total solutions.
- ✓ Differentiation: Develop innovative, special medical technology and dosage forms to gain a market differentiation.
- ✓ Create value: Become the best strategic partner in development and marketing in Asia for international innovative biotechnology companies.

Impact of external competition, regulatory environment, and macroeconomic environment

Challenge 1: Impact of COVID-19 on the pharmaceutical industry

- The COVID-19 pandemic has substantially impacted the world since 2020, and the pharmaceutical industry is not excepted, in terms of not only the supply chain (including substances and manufacturing capacity) but also the research and development. The clinical trials conducted by TSH in the past two years have also been delayed by about 3–6 months. However, as the pandemic has eased and lock-down lifted, the Company will appropriately adjust, and assess the risk of, the planning of development and licensing of products in the future.

Challenge 2: The global pharmaceutical industry is experiencing a rapid change.

- The ongoing factors in the past few years around the world, e.g. increased medical expenses, increased costs, and volatile political and economic changes, along with the rise of big data analytics and precision medicine, will effect a rapid change in the business model of pharmaceutical companies. Therefore, TSH has adopted a dual-track strategy: TSH will maintain its current R&D momentum and put new products on the market every year; it will also simultaneously invest in innovative fields to embark on the international trend.

Challenge 3: Trends in international investment and M&A

- A growing number of start-ups are willing to engage in early drug development, and pharmaceutical giants may have a share in them through either direct investment or licensing. This enables those start-ups to access the various resources for them to develop new drugs and thereby reduce risks and increase chances of success. TSH will continue to leverage

multiple channels to collaborate with upstream and downstream partners; merge or acquire businesses; participate in international business matchmaking events; and provide more opportunities for new partners to expand collaboration in Asia.

Sitting amid a competitive environment, we will expand existing treatment fields and explore the opportunities accompanying new treatment fields by increasingly focusing on risk control, enhancing the operations in certain areas and through certain channels, and collaborating with partners.

Chairperson: Chuan Lin

Manager: Sze-Yuan Yang

Accounting Officer: Chen-Ju Kan

Attachment 2

**TSH Biopharm Corporation Ltd.
Audit Committee's Review Report**

The Board of Directors has prepared and submitted the Company's 2022 Business Report, Financial Statements, and the Earnings Distribution Proposal, of which the Financial Statements were audited by CPA Shin-Ting Huang and CPA Yilien Han from KPMG Taiwan, who have also furnished an audit report. After reviewing the said reports and statements, the Audit Committee did not find any non-conformities, and thus prepared this Audit Committee Review Report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act for your approval.

To

TSH Biopharm Corporation Ltd. Annual General Shareholders' Meeting of 2023

Convener of Audit Committee: Chih-Li Wang

February 24, 2023

Attachment 3

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of TSH Biopharm Corporation Ltd.

Opinion

We have audited the financial statements of TSH Biopharm Corporation Ltd. (“the Company”), which comprise the balance sheets as of December 31, 2022 and 2021, the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the years ended December 31, 2022 and 2021, 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 of 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 and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for Opinion

We conducted our audit in accordance with the “Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants” and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditor’s 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 Certified Public Accountants Code of Professional Ethics in Republic of China (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. 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 parent company only financial statements of the current period. 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, and we do not provide a separate opinion on these matters. Key audit matters for the parent company only financial statements in the current period are stated as follow:

1. Valuation of Inventories

Please refer to notes 4(7), 5 and 6(5) of the notes to the parent company only financial statement for the accounting policies on measuring inventory, assumptions used and uncertainties considered in determining net realizable value, allowances for impairment loss and obsolescence and balances of impairment loss and obsolescence, respectively.

Description of key audit matter:

Inventories are stated at of cost and net realizable value. Due to fierce competition in pharmaceutical industry and the declining prices of health insurance drugs every year, which will affect the sales prices of related products, resulting in a risk that the cost of inventories to exceed its net value. Therefore, inventory evaluation is one of the key audit matters for our audit.

How the matter was addressed in our audit:

Our audit procedures for the above key audit matters included assessing the Company’s inventory allowance amount based on the nature of the inventories; performing audit to check the correctness of the inventory age report; reviewing the company’s past inventory allowances and assessing whether the estimation methods and assumptions are appropriate; observe the inventory count and check the inventory status to assess whether the inventory is expired or damaged; sampling the latest sales prices of inventory and assessing the reasonableness of net realizable value; assessing whether disclosure items for

inventory allowances are appropriate.

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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission 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 of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditor's 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 auditor's 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 auditing standards generally accepted in 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 auditing standards generally accepted in the Republic of China, we exercised professional judgment and maintained 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 auditor's 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 auditor's 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.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and 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 auditor's 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.

The engagement partners on the audit resulting in this independent auditor's report are Shin- Ting Huang and Yilien Han.

KPMG

Taipei, Taiwan (Republic of China)

February 24, 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.

(English Translation of the Parent Company Only Financial Statements Originally Issued in Chinese)

TSH Biopharm Corporation Ltd.

Balance Sheets

December 31, 2022 and 2021

(Expressed in thousands of New Taiwan Dollars)

		<u>December 31, 2022</u>		<u>December 31, 2021</u>				<u>December 31, 2022</u>		<u>December 31, 2021</u>	
Assets		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	Liabilities and Equity		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (notes 6(1) and (19))	\$ 404,476	35	381,887	33	2150	Notes payable (note 6(19))	\$ 733	-	441	-
1120	Current financial assets at fair value through other comprehensive income (notes 6(2)、(19) and 13)	51,811	5	52,929	5	2170	Accounts payable (note 6(19))	8,500	1	5,833	-
1150	Notes receivable, net (notes 6(3)、(16) and (19))	16,077	1	14,716	1	2180	Accounts payable to related parties (notes 6(19) and 7)	7,245	-	6,445	1
1170	Accounts receivable, net (notes 6(3)、(16) and (19))	90,939	8	84,131	7	2200	Other payables (notes 6(10)、(19) and 7)	52,212	5	60,409	5
1180	Accounts receivable from related parties (notes 6(3)、(16)、(19) and 7)	301	-	218	-	2230	Current income tax liabilities	8,018	1	7,102	1
1200	Other receivables (notes 6(4)、(19) and 7)	1,658	-	1,064	-	2280	Current lease liabilities (notes 6(11)、(19)、(22) and 7)	4,485	-	4,567	-
130x	Inventories (note 6(5))	59,259	5	73,219	6	2300	Other current liabilities	1,308	-	1,003	-
1476	Other financial assets-current (notes 6(1)、(9) and (19))	275,053	24	298,589	26			<u>82,501</u>	<u>7</u>	<u>85,800</u>	<u>7</u>
1479	Other current assets –other (notes 6(9))	7,948	1	13,219	1						
		<u>907,522</u>	<u>79</u>	<u>919,972</u>	<u>79</u>	2580	Non-current liabilities: Non-current lease liabilities (notes 6(11)、(19)、(22) and 7)	4,557	-	-	-
							Total liabilities	<u>87,058</u>	<u>7</u>	<u>85,800</u>	<u>7</u>
Non-current assets:						Equity (note 6(2) and (14)) :					
1517	Non-current financial assets at fair value through other comprehensive income (notes 6(2)、(19) and 13)	192,259	17	211,767	18		Capital stock	383,981	33	383,981	33
1600	Property, plant and equipment (note 6(6))	24,566	2	22,792	2	3100	Capital surplus	459,435	40	459,361	39
1755	Right-of-use assets (note 6 (7))	9,042	1	4,567	1	3200	Retained earnings :				
1780	Intangible assets (note 6 (8))	14,392	1	3,628	-		Legal reserve	115,721	10	113,065	10
1840	Deferred income tax assets (note 6 (13))	1,800	-	2,010	-	3310	Unappropriated retained earnings	112,647	10	111,010	10
1915	Prepayment for equipment	711	-	-	-	3350	Other equity	(4,417)	-	16,209	1
1920	Refundable deposits paid (notes 6(9)、(19) and 7)	4,049	-	4,393	-	3400					
1984	Other non-current financial assets (notes 6(9) and (19))	84	-	297	-		Total equity	<u>1,067,367</u>	<u>93</u>	<u>1,083,626</u>	<u>93</u>
		<u>246,903</u>	<u>21</u>	<u>249,454</u>	<u>21</u>		Total liabilities and equity	<u>\$ 1,154,425</u>	<u>100</u>	<u>1,169,426</u>	<u>100</u>
	Total assets	<u>\$ 1,154,425</u>	<u>100</u>	<u>1,169,426</u>	<u>100</u>						

See accompanying notes to financial statements.

(English Translation of the Parent Company Only Financial Statements Originally Issued in Chinese)

TSH Biopharm Corporation Ltd.

Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

	2022		2021	
	AMOUNT	%	AMOUNT	%
4000 Operating revenue (notes 6(16) and 7)	\$ 464,378	100	\$ 413,483	100
5000 Operating costs (notes 6(5) and 7)	184,506	40	166,125	40
Gross profit	279,872	60	247,358	60
6000 Operating expenses (notes 6(3)、(11)、(12)、(17)、7 and 12):				
6100 Selling expenses	139,681	30	120,215	29
6200 Administrative expenses	50,564	11	48,113	12
6300 Research and development expenses	26,345	6	23,515	6
6450 Expected credit loss (gain)	83	-	(100)	-
	216,673	47	191,743	47
Operating income	63,199	13	55,615	13
Non-operating income and expenses (notes 6(11)、(18) and 7):				
7100 Interest income	3,224	1	2,099	1
7010 Other income	95	-	48	-
7020 Other gains and losses	10,499	2	3,867	1
7050 Finance costs	(29)	-	(80)	-
	13,789	3	5,934	2
Profit before tax	76,988	16	61,549	15
7950 Income tax expense (note 6(13))	(15,098)	(3)	(14,441)	(3)
Profit for the year	\$ 61,890	13	\$ 47,108	12
8300 Other comprehensive income				
8310 Components of other comprehensive income that will not be reclassified to profit or loss				
8316 Unrealized gains (losses) from investments in equity instruments at fair value through other comprehensive income	(20,626)	(4)	(21,094)	(5)
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
Components of other comprehensive income that will not be reclassified to profit or loss	(20,626)	(4)	(21,094)	(5)
8300 Other comprehensive income	(20,626)	(4)	(21,094)	(5)
Total comprehensive income	\$ 41,264	9	\$ 26,014	7
Earnings per share (note 6(15))				
9750 Basic earnings per share	\$ 1.61		\$ 1.23	
9850 Diluted earnings per share	\$ 1.61		\$ 1.23	

See accompanying notes to financial statements.

(English Translation of the Parent Company Only Financial Statements Originally Issued in Chinese)

TSH Biopharm Corporation Ltd.
Statements of Changes in Equity
For the years ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings			Other equity interest		Total equity
	Ordinary share capital	Capital surplus	Legal reserve	Unappropriated retained earnings	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	
Balance as of January 1, 2021	\$ 383,981	\$ 458,977	\$ 97,016	\$ 169,610	\$ 16,760	\$ 1,126,344
Net income for the year	-	-	-	47,108	-	47,108
Other comprehensive income for the year	-	-	-	-	(21,094)	(21,094)
Total comprehensive income for the year	-	-	-	47,108	(21,094)	26,014
Appropriation and distribution of retained earnings:						
Appropriation for legal reserve	-	-	16,049	(16,049)	-	-
Cash dividends of ordinary share distributed	-	-	-	(69,116)	-	(69,116)
Other changes in capital surplus	-	384	-	-	-	384
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	(20,543)	20,543	-
Balance as of December 31, 2021	383,981	\$ 459,361	\$ 113,065	\$ 111,010	\$ 16,209	\$ 1,083,626
Net income for the year	-	-	-	61,890	-	61,890
Other comprehensive income for the year	-	-	-	-	(20,626)	(20,626)
Total comprehensive income for the year	-	-	-	61,890	(20,626)	41,264
Appropriation and distribution of retained earnings:						
Appropriation for legal reserve	-	-	2,656	(2,656)	-	-
Cash dividends of ordinary share distributed	-	-	-	(57,597)	-	(57,597)
Other changes in capital surplus	-	74	-	-	-	74
Balance as of December 31, 2022	\$ 383,981	\$ 459,435	\$ 115,721	\$ 112,647	(\$ 4,417)	\$ 1,067,367

See accompanying notes to financial statements.

(English Translation of the Parent Company Only Financial Statements Originally Issued in Chinese)

TSH Biopharm Corporation Ltd.
Statements of Cash Flows
For the years ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Profit before tax	\$ 76,988	\$ 61,549
Adjustments:		
Adjustments to reconcile profit		
Depreciation	7,059	7,233
Amortization	3,836	2,552
Expected credit loss (gain)	83	(100)
Interest expense	29	80
Interest income	(3,224)	(2,099)
Dividend income	(6,379)	(6,360)
Loss on disposal of property, plant and equipment	32	4
Impairment loss from non – financial assets	-	4,146
Gain on lease modification	-	(47)
Total adjustment to reconcile profit	<u>1,436</u>	<u>5,409</u>
Changes in operating assets and liabilities:		
(Increase) decrease in notes receivable	(1,361)	861
(Increase) decrease in accounts receivable(including related parties)	(6,974)	9,053
(Increase) decrease in other receivables	(295)	1,851
Decrease in inventories	13,960	4,687
Decrease in other current assets	5,271	11,042
Increase (decrease) in notes payable (including related parties)	292	(1,028)
Increase in accounts payable(including related parties)	3,467	6,329
Decrease in other payables	(8,197)	(9,709)
Increase in other current liabilities	379	322
Total changes in operating assets and liabilities	<u>6,542</u>	<u>23,408</u>
Total adjustments	<u>7,978</u>	<u>28,817</u>
Cash flows from operations	84,966	90,366
Interest received	2,925	2,165
Interest paid	(29)	(80)
Income tax paid	(13,972)	(23,744)
Net cash flows from operating activities	<u>73,890</u>	<u>68,707</u>

(Continued)

(English Translation of the Parent Company Only Financial Statements Originally Issued in Chinese)

TSH Biopharm Corporation Ltd.

Statements of Cash Flows

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	<u>2022</u>	<u>2021</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	\$ -	(\$ 3,478)
Proceeds from disposal of financial assets at fair value through other comprehensive income		20,707
Acquisition of property, plant and equipment	(4,298)	(382)
Decrease (increase) in guarantee deposits paid	344	(1,757)
Acquisition of intangible assets	(14,600)	-
Decrease (increase) in other financial assets - current	23,536	(31,838)
Decrease in other financial assets - non-current	213	328
Increase in prepayment for equipment	(711)	-
Dividends received	<u>6,379</u>	<u>6,360</u>
Net cash flows from (used in) investing activities	<u>10,863</u>	<u>(10,060)</u>
Cash flows used in financing activities:		
Payments of lease liabilities	(4,567)	(4,345)
Cash dividends paid	<u>(57,597)</u>	<u>(69,116)</u>
Net cash flows used in financing activities	<u>(62,164)</u>	<u>(73,461)</u>
Net (decrease) increase in cash and cash equivalents	22,589	(14,814)
Cash and cash equivalents at beginning of year	<u>381,887</u>	<u>396,701</u>
Cash and cash equivalents at end of year	<u>\$ 404,476</u>	<u>\$ 381,887</u>

See accompanying notes to financial statements.

Attachment 4

TSH Biopharm Corporation Ltd.

List of candidates for directors (including independent directors)

Nominator: Board of Directors

Title	Name	Education	Experience	Number of shares held	Reasons for nominating independent directors who have served for three years
Director	TTY Biopharm Company Limited Representative: Chuan Lin	Ph.D. in Economics, University of Illinois, USA	[Incumbent] Chairman of TTY Biopharm Company Limited; Chairman of TSH Biopharm Corporation Ltd.; Independent Director of PEGATRON CORPORATION	21,687,177	N/A
Director	TTY Biopharm Company Limited Representative: Kang-Chi Chou	MBA, University of St. Thomas in Minnesota, USA	[Incumbent]: Director of TSH Biopharm Corporation Ltd.; Chairman and President of IROC CO., LTD.; Independent Director of C.C.P. Contact Probes Co., LTD; Independent Director of Radium Life Tech Co., Ltd.; Independent Director of Orient Pharma Co., Ltd.; Representative of a corporate director of Super Dragon Technology Co., Ltd.; Representative of a corporate director of ATrack Technology Inc. [Former] Vice President of Taipei Exchange; Chairman of Concord Securities Co., Ltd.; President of CAPITAL SECURITIES CORP.; Deputy Manager of Listing Department and Trading Department, TWSE; Executive Director of TAIWAN SECURITIES ASSOCIATION.	21,687,177	N/A
Director	TTY Biopharm	PharmD, School of	[Incumbent] Director of	21,687,177	N/A

	Company Limited Representative: Carl Hsiao	Pharmacy and Health, University of the Pacific; MBA, University of the Pacific	TSH Biopharm Corporation Ltd.; Director of TTY Biopharm Company Limited; Director of Dawan Technology Co., Ltd.; Director of American Taiwan Biopharm Co., Ltd.		
Director	TTY Biopharm Company Limited Representative: Yong-Liang Wu	Bachelor of Pharmacy, Taipei Medical University	[Incumbent]Supervisor of Dawan Technology Co., Ltd. [Former]Vice General Manager of Healthcare Unit of TTY Biopharm Company Limited	21,687,177	N/A
Independent Director	Rwei-Syun Chen	MBA, Columbia University, USA; BA, Department of Biology, National Taiwan Normal University.	[Incumbent] Independent Director of TSH Biopharm Corporation Ltd.; Independent Director of Welgene Biotech Co., Ltd. [Former] President of TAHO Pharmaceuticals Ltd.; Vice President of Business Development of NAL Pharmaceuticals Ltd.	0	None
Independent Director	Yaw-Bin Huang	Ph.D. in Pharmacy, Kaohsiung Medical University; Master of Pharmacy, Kaohsiung Medical University; Bachelor of Pharmacy, Kaohsiung Medical University.	[Incumbent] Independent Director of TSH Biopharm Corporation Ltd.; Dean of the School of Pharmacy, Kaohsiung Medical University; a professor of the Department of Pharmacy, Kaohsiung Medical University; Chief Pharmacist of the Department of Pharmacy, Kaohsiung Medical University Chung-Ho Memorial Hospital. [Former] Dean of the General Affairs Office of Kaohsiung Medical University; Director of the Pharmacy Department of Kaohsiung Medical University Chung-Ho Memorial Hospital; Director of the Master Clinical Pharmacy Program of the Pharmacy Department of Kaohsiung Medical University; Director of	0	None

			the Institute of Clinical Pharmacy of Kaohsiung Medical University; Associate Professor of the Pharmacy Department of Kaohsiung Medical University; Instructor of the Pharmacy Department of Kaohsiung Medical University; Chairman of the Pharmaceutical Society of Taiwan.		
Independent Director	Te-Yu Chou	Ph.D. in Economics, Virginia Polytechnic Institute and State University; Bachelor of Physics, National Tsing Hua University	[Incumbent] Associate Professor of the Department of Public Finance, National Chengchi University; Independent Director of Chuang Yi Biotech Co., Ltd.; Independent Director and Remuneration Committee member of Taiwan Cooperative Bank; Director of Cardinal Tien Hospital; Director of National Chengchi University Academic Development Foundation; Supervisor of Chunghua Association of Public Finance; Member of the Public-Private Partnership and Grievance Committee, Ministry of Finance; Member of the Committee on the Pricing of the Privatization of the Businesses of the Ministry of Finance. [Former] Director of Taiwan Financial Holdings Co., Ltd.; Chairman and President of Taipei Financial Center Corporation.	0	None

Attachment 5

Details of candidates for directors' (including independent directors) current positions at other companies

Title	Name	Positions concurrently held in other companies at present	
Director	TTY Biopharm Company Limited	PharmaEngine Inc. Chuang Yi Biotech Co. Ltd. Xudong Haipu Pharmaceutical Co., Ltd. Worldco International Co., Ltd. American Taiwan Biopharm Philippines Inc. American Taiwan Biopharm Co., Ltd. Gligio International Limited EnhanceX, Inc. TTY Biopharm Korea Co., Ltd. TTY Biopharm Mexico S.A DE C.V. TTY Biopharm Turkey Health Products Industry and Trade Limited Company	Director Director Director Director Director Director Director Director Director Director
Director	TTY Biopharm Company Limited Representative: Chuan Lin	TTY Biopharm Company Limited PEGATRON CORPORATION	Chairman Independent Director
Director	TTY Biopharm Company Limited Representative: Kang-Chi Chou	IROC CO., LTD. C.C.P. Contact Probes Co., LTD. Radium Life Tech Co., Ltd. Orient Pharma Co. Ltd. Super Dragon Technology Co., Ltd. ATrack Technology Inc.	Chairman and President Independent Director Independent Director Independent Director Representative of a corporate director Representative of a corporate director
Director	TTY Biopharm Company Limited Representative: Carl Hsiao	TTY Biopharm Company Limited Dawan Technology Co., Ltd. American Taiwan Biopharm Co., Ltd.	Director Director Director
Director	TTY Biopharm Company Limited Representative: Yong-Liang Wu	Dawan Technology Co., Ltd.	Supervisor
Independent Director	Rwei-Syun Chen	Welgene Biotech Co., Ltd.	Independent Director
Independent Director	Te-Yu Chou	Taiwan Cooperative Bank Cardinal Tien Hospital	Independent Director Director

X. Appendices

Appendix 1

TSH Biopharm Corporation Ltd. Regulations Governing the Election of Directors

Article 1: Election of the Company's directors shall be in accordance with these Regulations.

Article 2: Directors of the Company shall be elected under a candidate nomination system by shareholders at a Shareholders' Meeting from among nominees for directors on the list announced by the Company.

Article 2-1: The eligibility and election of the Company's independent directors shall comply with the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and Article 24 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.

Article 3: Election of the Company's directors shall be made through the cumulative voting system, and the names of the voters on the ballots may be replaced by the voters' attendance card number.

Article 4: Each share will have voting rights in number equal to the directors to be elected. The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The ballots may be cast for a single candidate or for multiple candidates.

Shareholders may elect to exercise their voting rights on site or by electronic means. Shareholders who wish to exercise their voting rights by electronic means shall do so on the electronic voting platform designated by the Company.

Article 5: The Company's directors shall be elected based on the number of seats specified in the Articles of Incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the Chairman drawing lots on behalf of any person not in attendance.

The number of votes referred to in the preceding paragraph shall be calculated based on the number of votes cast at the Shareholders' Meeting plus the number of votes cast by electronic means.

Article 5-1: Where a government agency or a juristic person acts as a shareholder of the Company, its authorized representative may also be elected as a director of the Company. If there is a plural number of such authorized representatives, each of them may be so elected.

Article 6: The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders' meeting.

Article 7: Before the election begins, the Chairman shall appoint a number of persons to perform the respective duties of vote monitoring and counting.

Article 8: The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 9: The elector must fill in the name or account name of the person they wish to elect in the “Candidate” column of the ballot. However, if the candidate is a government agency or a corporate shareholder, the Candidate’s Account Name column on the ballot shall be the name of the government agency or the corporate shareholder or their representative; if they have multiple representatives, the name of such representatives shall be specified separately.

Article 10: A ballot is invalid under any of the following circumstances:

1. The ballot was not prepared by a person with the right to convene.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable or has been altered.
4. The candidate whose name is entered in the ballot does not conform to the director candidate list.
5. Two or more candidates are specified in one ballot.
6. Other words or marks are entered in addition to the name and account name of the candidate.

Article 11: The ballot boxes installed for election of directors shall be opened jointly with the personnel monitoring the voting after the end of the poll.

Article 12: Votes shall be counted under the supervision of the vote monitoring personnel, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected and the list of those failed to be elected and the votes they received, shall be announced by the Chairman on site.

Article 13: Matters not provided in these Regulations shall be handled in accordance with the Company Act and other relevant laws and regulations.

Article 14: These Regulations, and any amendments hereto, shall be implemented after approval by a shareholders’ meeting.

These Regulations were enacted on December 20, 2010.

These Regulations were revised on June 12, 2012 for the 1st time.

These Regulations were revised on June 13, 2014 for the 2nd time.

These Regulations were revised on June 15, 2017 for the 3rd time.

These Regulations were revised on May 25, 2022 for the 4th time.

TSH Biopharm Corporation Ltd.
Articles of Incorporation

Chapter 1: General Provisions

Article 1: The Company is duly incorporated as a company limited by shares in accordance with the Company Act, and shall have the name of “東生華製藥股份有限公司” in the Chinese language and “TSH BIOPHARM CORPORATION LIMITED” in the English Language.

Article 2: The business of the Company is as follows:

1. C199990 Manufacture of Other Food Products Not Elsewhere Classified
2. C802060 Veterinary Drug Manufacturing
3. F102170 Wholesale of Foods and Groceries
4. F108021 Wholesale of Western Pharmaceutical
5. F108031 Wholesale of Medical Devices
6. F208021 Retail Sale of Western Pharmaceutical
7. F208031 Retail Sale of Medical Apparatus
8. F401010 International Trade
9. F601010 Intellectual Property Rights
10. IC01010 Medicine Inspection
11. IG01010 Biotechnology Services
12. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Company is headquartered in Taipei City and may set up a branch or operational premises inside and outside the territory of the Republic of China if required, subject to a resolution by the Company's Board of Directors.

Article 4: The Company may make guarantees for industry peers whenever the business requires. The total amount of reinvestment made by the Company may exceed 40% of its paid-in capital.

Article 5: Public announcements of the Company shall be made in accordance with Article 28 of the Company Act.

Chapter 2. Shares

Article 6: The Company's authorized capital shall be NT\$1 billion, divided into 100 million shares, at NT\$10 each; such shares may be issued in installments, subject to an approval from the Board of Directors. A total of 100 million, divided in to 10 million shares, among the above authorized capital shall be reserved for issuing employee stock options.

Article 6-1: Parties eligible for receiving the shares repurchased by the Company by law, employee stock options, restricted stock awards, and the shares of a follow-on offering that are reserved for employees' subscription may include the employees of a controlled or subordinate company who meet certain criteria. The criteria, and the manner in which the shares are transferred, distributed, or subscribed shall be determined by the Board of Directors.

Article 7: The shares issued by the Company need not take the form of share certificates, but shall be registered with the centralized securities depository institutions.

Article 8: The transfer, ownership transfer, inheritance, bestowal, or pledge of rights or other share-related affairs shall be carried out in accordance with the “Regulations Governing the Administration of Shareholder Services of Public Companies” and relevant laws and regulations.

Article 9: The Company shall suspend the transfer of shares sixty days prior to an annual shareholders' meeting, thirty days prior to an extraordinary shareholders' meeting, and five days prior to the record date for the distribution of dividends, bonuses, or other interests.

Chapter 3 Shareholders' Meeting

Article 10: An Annual Shareholders' Meeting shall be convened once a year within 6 months after the end of a fiscal year. An Extraordinary Shareholders' Meeting may be convened at any time in the manner specified in law whenever required.

Article 11: The Company shall notify its intention to convene an annual shareholders' meeting to shareholders in writing at least 30 days before the intended convention date. The Company shall notify its intention to convene an extraordinary shareholders' meeting to shareholders in writing at least 15 days before the intended convention date. The reason for the convening a meeting shall be stated in the notice or announcement.

Article 12: A shareholder shall be entitled to one vote for each share held, except when the shares are under any circumstance specified in Article 179 of the Company Act.

Article 13: If a shareholder is not able to attend the shareholders' meeting in person for any reason, he/she may designate a proxy to attend the shareholders' meeting by executing the proxy form printed by the Company. Matters in this regard shall be carried out by Article 177 of the Company Act and the “Regulations Governing the Use of

Proxies for Attendance at Shareholders' Meetings of Public Companies.”

Article 14: Resolutions at a shareholders' meeting shall be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares, unless the Company Act provides otherwise.

Article 15: Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the Chairman of the meeting. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the Chairman's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results. The minutes shall be retained for the duration of the existence of the Company.

The attendance book bearing the signature of attending shareholders, and the proxy forms shall be retained for at least 1 year. However, if a shareholder raises a litigious claim against the Company according to Article 189 of The Company Act, the above-mentioned documents must be retained until the end of the litigation.

Article 16: If the Company wishes to cease to be a public company, it may do so only after obtaining an approval from the shareholders' meeting; this article shall not be changed during the Company's listing on TWSE, or TPEX.

Chapter 4. Directors and Audit Committee

Article 17: The Company shall have five to seven directors, who shall be elected by the shareholders' meeting from among the director nominees list through a candidate nomination system. The term of office for directors shall be three years and the directors may be re-elected; if the term of office expires before the following election takes place, the term of office may be extended until the newly elected directors take office. The total registered shares owned by the directors of the Company shall be in accordance with the standard set forth in the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies” promulgated by the competent authority.

Election of the Company's directors shall be made through an uninominal cumulative voting system. Where there is a need to revise the election method, the Company may do so in accordance with Article 172, Paragraph 5 of the Company Act, and shall state a comparison of the election methods before and after revision in tabular format in the reasons for convening the shareholders' meeting.

Article 18: Of the said number of directors, at least three shall be independent directors, who shall constitute at least one fifth of all directors. The professional qualifications, restrictions on both shareholding and concurrent positions held, determination of independence, method of nomination, and other requirements with regard to the independent directors shall be set forth in accordance with the regulations of the competent authority.

Article 19: When the number of vacancies in the Board of Directors of the Company equals to one-third of the total number of directors, the Board of Directors shall call a special meeting of shareholders to elect succeeding directors to fill the vacancies. However, directors so elected shall serve a term equal to the remaining term of the predecessor.

Article 20: The board meeting of the Company shall be convened at least once a quarter.

The reasons for calling a board of directors meeting shall be notified to each director at least seven days in advance. In emergency circumstances, however, a meeting may be called at short notice.

The notice of the convention of the meeting mentioned in the preceding paragraph may be given by correspondence, fax, or email.

Article 20-1: The Board of Directors may set up an audit committee, remuneration committee, or other functional committees based on operating needs. The audit committee shall be composed of all independent directors, of whom at least one shall be the convener and at least one shall be an expert in accounting or finance.

The duties, charter, and exercise of powers of the audit committee mentioned in the preceding paragraph, and other compliance matters thereof, shall be carried out in accordance with the regulations of the competent authority and the Company.

Article 21: The Board of Directors shall be composed of directors. A chairman of the Board of Directors shall be elected from among the directors by a majority vote at a Board of Directors meeting attended by two-thirds or more of all directors. A vice chairman of the Board of Directors shall be elected in the same manner.

Article 22: When the Chairman asks for leave or cannot exercise his powers for any reason, his proxy shall handle the matters in accordance with Article 208 of the Company Act.

Article 23: Directors shall attend the board meeting in person. When a director designates a proxy to attend the meeting on his/her behalf, such designation of proxy shall be made in accordance with Article 205 of the Company Act. Where a Board of Directors meeting is convened by videoconferencing, directors attending the meeting by videoconferencing shall be deemed to have attended the meeting in person.

Article 24: All business policies and important matters of the Company shall be in accordance with the resolutions of the Board of Directors. Resolutions at a Board of Directors meeting shall be adopted by a majority vote of the directors present, who represent more than one-half of the total number of directors, unless the Company Act provides otherwise.

Article 25: The Company shall purchase liability insurance for directors to reduce the risk of directors being sued by

shareholders or other stakeholders due to performance of duties as required by law.

Article 26: When directors perform duties, the Company must pay them compensation regardless of the Company's being in profit or loss. The Board of Directors is authorized to determine the compensation based on directors' participation in the Company's operations and the value of their contribution, and by reference to the prevailing payment standards among industry peers. If the Company makes profits, additional remuneration shall be paid in the manner specified in Article 29.

Chapter 5. Managers

Article 27: The Company may have several managers. Their appointment, dismissal, and compensation shall comply with Article 29 of the Company Act.

Chapter 6. Accounting

Article 28: The Company shall do a final accounting at the end of a fiscal year, which spans from January 1 through December 31. The Company's Board of Directors shall compile the following documents at the end of a fiscal year and submit them to the Shareholders' Meeting for adoption.

1. Business Report
2. Financial Statements.
3. Proposal to distribute earnings or compensate for prior losses.

Article 29: Where the Company makes a profit in the year, it shall allocate 2% to 8% of the profit as employees' compensation, which may be paid out in stock or cash as per the resolution by the Board of Directors. The recipients of the compensation may include employees of a controlled or subordinate companies who meet certain criteria. The Company may allocate no more than 2% of the above-mentioned profit as the directors' compensation, which can be paid only in cash. The proposals to distribute compensation to employees and directors shall be reported at the Shareholders' Meeting.

However, if the Company is still in losses, an amount equal to such losses shall be reserved before such earnings can be distributed as employees' compensation and directors' compensation in the proportion mentioned above.

Article 29-1: In the event of surplus earnings after the closing of annual accounts, due taxes shall be paid in accordance with the law, and losses incurred in previous years shall be compensated for. Upon completion of the preceding actions, 10% of the remainder surplus shall be allocated as legal reserves. However, in the event that the accumulated legal reserves are equivalent to or exceed the Company's total paid-in capital, such allocation may be exempted. The remainder may be set aside or reversed as special surplus reserve in accordance with laws and regulations. If there are remainder earnings, the Board of Directors shall draft an earnings distribution proposal regarding the remainder of the earnings plus accumulated undistributed earnings for approval at the shareholders' meeting, at which the allocation of shareholders' dividends shall be decided.

Article 30: As the end of each year, the Board of Directors takes into account factors, including the Company's profitability, capital and financial structure, future operating needs, cumulative earnings, legal reserves, and market competition, and then drafts an earnings distribution proposal and submits it to the shareholders' meeting for resolution before distributing earnings.

Article 31: The Company may, as per financial, business, and operating factors, distribute no less than 50% of the distributable earnings for the year. To reinforce the Company's financial structure and take into account investors' rights and interests, the Company adopts a dividend balance approach and pays out more than 50% of the dividends distributed in the year as cash dividends.

Chapter 7. Supplementary Provisions

Article 32: Any matter not covered in this Articles of Incorporation shall be implemented in accordance with the Company Act and other related laws & regulations.

Article 33: This Articles of Incorporation was established on June 25, 2010.

The 1st revision was made on December 20, 2010.

The 2nd revision was made on October 6, 2011.

The 3rd revision was made on June 19, 2013.

The 4th revision was made on June 23, 2015.

The 5th revision was made on June 23, 2016.

The 6th revision was made on June 15, 2017.

The 7th revision was made on June 15, 2018.

The 8th revision was made on May 29, 2020.

Appendix 3

TSH Biopharm Corporation Ltd. Rules of Procedure for Shareholders' Meeting

- I. The rules of procedures for the Company's shareholders' meetings, except as otherwise provided by law or regulation, shall be as provided in these Rules.
- II. The Shareholders' Meeting shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. The number of shares in attendance is counted based on the number of shares indicated on the attendance book and represented by the submitted attendance card, plus the number of shares cast electronically.
- III. The attendance and voting at the shareholders' meeting shall be calculated in accordance with shares.
- IV. The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.
- V. If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman of the Board. When the Chairman is on leave or for any reason unable to exercise the powers of the Chairman, the Chairman shall appoint one of the directors to act as an acting chairman. Where the Chairman does not make such a designation, the directors shall select from among themselves one person to serve as the Chairman. If a shareholders' meeting is convened by a party with power to convene but other than the Board of Directors, the convening party shall chair the meeting.
- VI. The Company may designate its attorney, certified public accountant, or other relevant persons to attend the meeting. Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or armbands.
- VII. The Company shall audio or video record the whole meeting proceedings and shall keep the audio or videos for at least one year.
- VIII. The Chairman shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the Chairman may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If after two postponements the attending shareholders represent less than one-third of the total number of issued shares, the Chairman may announce that the meeting has failed to be convened for lack of a quorum. If the quorum is not met after two postponements and the attending shareholders still represent less than one-third of the total number of issued shares, a tentative resolution may be adopted according to Article 175, Paragraph 1 of the Company Act. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the Chairman may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.
- IX. If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting. The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders' meeting convened by a party with the powers to convene that is not the Board of Directors. The Chairman may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the Shareholders' Meeting. After the conclusion of the meeting, shareholders may not elect a chairman to continue the meeting at the original meeting venue or another place.
- X. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chairman. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chairman and the shareholder that has the floor; the Chairman shall stop any violation.
- XI. Except with the consent of the chairman, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of

the agenda item, the Chairman may terminate the speech.

- XII. When a juristic person serves as an agent to attend the shareholders' meeting, it may only appoint one person as a representative at the meeting. When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.
- XIII. The Chairman may reply in person or assign relevant personnel to reply after shareholders attended the shareholders' meeting spoke.
- XIV. When the Chairman is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chairman may announce the discussion closed, call for a vote, and schedule sufficient time for voting.
- XV. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chairman, provided that all monitoring personnel shall be shareholders of the Company. Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.
- XVI. When a meeting is in progress, the chairman may announce a break based on time considerations.
- XVII. The voting of motions shall be approved by more than 50% of the voting powers from present shareholders unless the Company Act and the Articles of Incorporation regulate otherwise. At the time of a vote, for each proposal, the chairman or a person designated by the chairman shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders.
- XVIII. Where there are amendments or alternatives to single motion, the chairperson decide the voting order of such alone with original motion. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
- XIX. The Chairman may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an armband bearing the word "Proctor."
- XX. These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be affected in the same manner.
- XXI. These Rules were established on September 1, 2010.
The 1st revision was made on May 29, 2020.

Appendix 4

Shareholding of all directors as a whole

book closure date: March 27, 2023

Title	Name	Number of shares registered in the shareholder register
Chairman	TTY Biopharm Company Limited Representative: Chuan Lin	21,687,177
Director	TTY Biopharm Company Limited Representative: Carl Hsiao Representative: Chao-I Chiang Representative: Kang-Chi Chou	
Independent Director	Chih-Li Wang	30
Independent Director	Rwei-Syun Chen	0
Independent Director	Yaw-Bin Huang	0

Note:

1. As of March 27, 2023, the Company issued a total of 38,398,140 shares.
2. The minimum shareholding required of all directors is 3,600,000 shares, and the number of shares registered in the shareholder register is 21,687,207 shares.