

# Bora Pharmaceuticals Co., Ltd. Articles of Incorporation (Before amendment) (Translation)

## Chapter 1          General Provisions

Article 1: The Company shall be organized in accordance with the Company Act as a company limited by shares, and named as 保瑞藥業股份有限公司 in Chinese, and BORA PHARMACEUTICALS CO., LTD. in English.

Article 2: The scope of business of the Company shall be as follows:

1. C802041          Manufacture of Drugs and Medicines.
2. F108021          Wholesale of Drugs and Medicines.
3. F108031          Wholesale of Medical Devices.
4. F107070          Wholesale of Veterinary Drugs.
5. F113030          Wholesale of Precision Instruments.
6. F113060          Wholesale of Measuring Instruments.
7. F108040          Wholesale of Cosmetics.
8. F207070          Retail Sale of Veterinary Drugs.
9. F203010          Retail Sale of Food, Grocery and Beverage.
10. F401010          International Trade.
11. I102010          Investment Consulting.
12. I103060          Management Consulting.
13. H703100          Real Estate Leasing.
14. ZZ99999          All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Company's total investment amount is not limited by "shall not exceed forty percent of the amount of its own paid-up capital" stipulated in Article 13 of the Company Act.

The Company, may due to operations or investment business requirements, make endorsements or guarantees for others, and the procedures shall be in accordance with the Company's Operational Procedures for Endorsements/Guarantees.

The Company shall not loan funds to any of its shareholders or

any other person except under the circumstances specified in Article 15 of the Company Act.

Article 4: The head office of the Company shall be set up in Taipei City, and branches may be set up in other appropriate places where necessary, and its setup, closure or change shall be approved by the board of directors.

Article 5: The Company's public announcements method shall be in accordance with Article 28 of the Company Act.

## Chapter 2 Shares

Article 6: The total authorized capital of the Company shall be NT\$2,000,000,000 divided into 200,000,000 shares at NT\$10 each. The board of directors is hereby authorized to issue the shares in installments where necessary, and some may be in the form of preferred shares. NT\$100,000,000 from the above authorized capital shall be reserved for issuance of employee share subscription warrants and new restricted employee shares, divided into 10,000,000 shares at NT\$10 each. The board of directors is hereby authorized to issue the shares in installments by passing a resolution.

Article 6-1: The transferor where the Company repurchases shares from in accordance with the law, recipient of share subscription warrant and restricted stock for employees, and those with the right to subscribe new shares, may include employees of parents or subsidiaries of the Company meeting certain specific requirements, and the board of directors may be authorized to determine the requirements and distribution method.

Article 6-2: The rights and obligations of the Company's preferred shares and other important terms of issue are as follows:

- I. Dividend on preferred shares is capped at 8% per annum, calculated based on the issue price per share. Dividend is issued once per year in cash, upon ratification of the financial statements and profit distribution proposal during the annual shareholders' meeting. The board of directors shall set the target date for the payment of the previous year's dividend. Distribution of dividend on the issuance year and redemption year is calculated based on the actual number of days the

preferred shares remained outstanding in that year. Issuance date is defined as the capital increase base date for the issuance of this preferred share.

- II. The Company has discretionary power in the distribution of dividend for preferred shares, and may not distribute preferred shares dividend upon resolution in a shareholders' meeting. If there are no earnings after closing the fiscal year or where a resolution not to distribute dividend is passed during the shareholders' meeting, the undistributed dividend will not be accumulated and deferred for payment in the years where there is surplus.
- III. Preferred shareholders, apart from receiving dividend as stipulated in paragraph 1, shall not participate in the distribution of surplus and cash and capitalized amount from capital reserve for ordinary shares.
- IV. Preferred shareholders take precedence over ordinary shareholders for the order of distribution of the Company's residual assets, and the order is the same for all shareholders of all kinds of preferred shares issued by the Company, second to general creditors. However, it shall not exceed the amount calculated based on the issue price of the preferred shares issued at the time of distribution.
- V. Preferred shareholders have no voting right and voting power in the shareholders' meeting. However, they may be elected as directors, and have the voting rights in preferred shareholders' meetings and with respect to agendas that concern the rights and obligations of preferred shareholders in shareholders' meetings.
- VI. Preferred shares shall not be converted to ordinary shares.
- VII. Preferred shares have no maturity date, and holders of preferred shares have no right to request redemption of such shares by the Company. However, the Company may redeem the preferred shares entirely or partially at a date no earlier than the day following the fifth anniversary of the issuance date, based on the actual issue price. Preferred shares which are not redeemed retain the above-mentioned various rights and obligations of the issuance conditions. Should the Company decide to declare dividend for the

redemption year, the distributable dividend as of the redemption date is calculated based on the actual number of days the shares remained outstanding in that year.

VIII. Capital reserve from preferred shares issued at premium, shall not be capitalized during the issuance period of the preferred shares.

IX. The board of directors is authorized to decide the name, issue date and specific terms of issue of preferred shares during the actual issuance, based on capital market condition and investors' intentions, in accordance with the Company's Articles of Incorporation and relevant laws and regulations.

Article 7: The Company's shares are in the form of registered share certificates with serial number, and shall be signed or sealed by directors representing the Company, and duly certified or authenticated by the bank which is competent to certify shares under the laws before issuance thereof. The Company may be exempted from printing any share certificate for the shares issued but shall register with a centralized securities depository enterprise; The same applies for issuing other securities.

Issuance of shares as stipulated in the preceding paragraph, may base on the request of the centralized securities depository enterprise, be merged and issued in large denomination securities.

If there is a need to cancel the Company's publicly issued shares, a resolution may be passed during the shareholders' meeting. Shareholder services matters shall be handled in accordance with the Company Act, the Regulations Governing the Administration of Shareholder Services of Public Companies published by the competent authority, and other relevant laws and regulations.

Article 8: For transfer of shares, the transferor and transferee shall apply to the Company by completing the application form, and sign or seal; before the completion of the transfer, it shall not be set up as defense against the Company.

Changes to the records of shareholder register shall be suspended within 60 days prior to the convening date of a regular shareholders meeting, or within 30 days prior to the convening date of a special shareholders meeting, or within 5 days prior to

the target date fixed by the Company for distribution of dividends, bonus or other benefits.

### Chapter 3 Shareholders' meeting

Article 9: The Company's shareholders' meeting comprises the following two kinds:

- I. Regular meeting is to be held at least once every year, and shall be convened within 6 months upon the close of the fiscal year, by the board of directors according to the law.
- II. Special shareholders meeting may be convened where necessary according to the laws and regulations. Meeting of preferred shareholders may be convened where necessary according to the relevant laws and regulations.

When the Company convene the shareholders meeting, it can be video conferencing or other ways announced by the local authority after obtaining a resolution of its board of directors.

Article 9-1: The chairman of the board of directors shall be the chair of the shareholders' meeting. In case the chairman of the board of directors is on leave or absent or cannot exercise his power and authority for any cause, the chairman of the board of directors shall designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the board of directors. For a shareholders' meeting convened by any other person having the convening right, he/she shall act as the chairman of that meeting provided, however, that if there are two or more persons having the convening right, the chairman of the meeting shall be elected from among themselves.

Article 9-2: Shareholders shall be notified and a public announcement shall be made of the date, place and meeting agenda of regular shareholders meetings, no later than 30 days prior to the meeting date; and no later than 15 days prior to the date of special shareholders meeting. The notice may be effected by means of electronic transmission, after obtaining prior consent from the recipients thereof.

The notice set forth in the preceding paragraph to shareholders

who own less than 1,000 shares may be given in the form of a public announcement.

Article 10: A shareholder who is unable to attend the shareholder's meeting may appoint a proxy to attend the meeting by providing the duly signed and sealed proxy form issued by the Company and stating the scope of the proxy's authorization.

In addition to the provision in the preceding paragraph, appointing a proxy for attendance by shareholder shall be handled in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies published by the competent authority.

Article 11: A shareholder shall have one voting power in respect of each share held, except if the share is restricted under the circumstances as stipulated in Article 179 of the Company Act or the Company issues preferred shares with no voting rights.

When the Company holds a shareholder meeting, it may adopt exercise of voting rights by electronic means or exercised by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice.

Article 12: Resolutions at a shareholders' meeting shall, unless otherwise provided for in the Company Act or the Articles of Incorporation, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

Article 12-1: Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chair of the meeting and shall be distributed to all shareholders within 20 days after the close of the meeting. The minutes shall be kept persistently throughout the life of the Company.

The meeting minutes of the preceding paragraph may be distributed by means of a public announcement made through the Market Observation Post System (MOPS).

#### Chapter 4 Directors and Audit Committee

Article 13: The Company shall have 7 to 9 directors for a term of 3 years, and the election of directors adopt a candidate's nomination

system in accordance with Article 192-1 of the Company Act. Directors shall be appointed from the director candidate list in the shareholders' meeting, and may be eligible for re-election.

The cumulative voting method shall be used for election of the directors in the Company. The number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed a director elect.

Except for the provisions in Article 172 of the Company Act, the essential contents shall be explained in the notice of the reasons for convening the shareholders meeting.

The above directors shall include not less than 3 independent directors, and not less than one-third of the director seats shall be held by independent directors. Independent directors' professional qualification, shareholding, part-time restrictions, nomination and election methods, and other matters to be complied, shall be in accordance with the relevant laws and regulations by the competent securities authority.

The percentage of shareholdings of all the directors shall be in accordance with the regulations of the competent securities authority.

The Company may take out directors' liability insurance with respect to liabilities resulting from exercising their duties during their terms of occupancy.

Article 13-1: In accordance with Article 14-4 of the Securities and Exchange Act, the Company shall appoint an audit committee, composed of the entire number of independent directors, to perform duties in compliance with the Company Act, the Securities and Exchange Act and other laws and regulations that stipulate the duties of supervisors.

Audit committee members, exercise of powers and other matters to be complied with, shall be handled in accordance with the relevant laws and regulations, and the audit committee charter shall be prepared by the board of directors.

Article 13-2: The board of directors is formed by the directors, and its duties

and authority are as follows:

- I. Prepare business plan.
- II. Submit surplus earning distribution or loss off-setting proposal
- III. Submit capital increase or reduction proposal.
- IV. Formulate important rules and Company's organizational rules.
- V. Appoint and dismiss the Company's general manager and managers.
- VI. Set up or abolish branches.
- VII. Prepare budget and final accounts.
- VIII. Other duties and authority in accordance with the Company Act or empowered by resolution of shareholders' meeting.

Article 13-3: The Company may establish a remuneration committee or other functional committees according to the law or business needs.

Article 14: The directors shall constitute the board of directors, and a chairman of the board directors shall be elected from among the directors by a majority vote at a meeting attended by over two-thirds of the directors. The chairman of the board of directors shall externally represent the Company.

Article 14-1: Except as otherwise stated in the Company Act, the meeting of the board of directors shall be convened by the chairman of the board. Except as otherwise stated in the Company Act, a resolution on a matter at a board of directors meeting requires the approval of a majority of the directors present at the meeting that shall be attended by a majority of all directors.

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 on shorter notice.

The notice may be effected in writing, by fax or email, after obtaining prior consent from the recipients thereof.

Article 15: The Chairman of the board of directors shall be the chair of the board meeting. In case the Chairman of the board of directors is on leave or absent or cannot exercise his power and authority for any cause, his representative shall be selected according to Article 208 of the Company Act. Each director shall attend the meeting of the board of directors in person. A director who is



unable to attend the meeting and appoints another director to attend the meeting, shall provide a proxy letter stating the scope of power authorized to the proxy for each meeting. Each director shall only be designated as the proxy of one director.

Meeting of the board of directors may be held by means of visual communication network. Directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 15-1: 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, within 60 days, a special meeting of shareholders to elect succeeding directors to fill the vacancies, for a term not exceeding the remaining term of the former director.

When the number of independent directors falls below the required number due to the dismissal of an independent director for any reason (including resignation, dismissal, expiration of the term of office, etc.), the Company shall hold a by-election for director at the next following shareholders meeting; When all independent directors have been dismissed, the Company shall convene a special shareholders meeting to hold a by-election within 60 days from the date on which the situation arose.

Article 16: The Company may provide remuneration to all its directors for the execution of the Company's business regardless of whether the Company incur a profit or loss. The remuneration of the chairman of the board and directors may be based on their involvement in the Company's business operation and their contributions to the Company and paid at such level as generally adopted by the enterprises of the same industry.

## Chapter 5            Managerial officers

Article 17: The Company may have one or more managerial personnel, and the appointment and discharge and the remuneration of the managerial personnel shall be decided in accordance with the Article 29 of the Company Act.

## Chapter 6            Accounting

Article 18: In accordance with Article 228 of the Company Act, the board of directors shall prepare the following statements and records at the close of each fiscal year, and submit them to the annual shareholders' meeting for its ratification.

I. Business Report.

II. Financial Statements.

III. Surplus earning distribution or loss off-setting proposals.

Article 19: The Company's fiscal year is from January 1 to December 31. Settlement of accounts shall be conducted at the close of the fiscal year.

Article 20: The Company may according to the Company Act, distribute surplus earning or off-set loss at the close of each half fiscal year. When distributing surplus earnings, the Company shall estimate and reserve the taxes and dues to be paid, the losses to be covered and the legal reserve to be set aside according to the law. However when the legal reserve amounts to the paid-in capital, this shall not apply.

In the event the Company makes a profit during the fiscal year it shall set aside no less than 1% of the profits as employees' compensation and no higher than 5% of the profit as directors' remuneration. However, priority shall be given to reservation of funds for compensation of cumulative losses, if any. The distribution of employees' compensation and directors' remuneration shall be determined by a resolution adopted by a majority vote at a board of directors' meeting attended by two-thirds or more of the directors, and be reported at a shareholders' meeting. By a resolution at a meeting of the board of directors, employees' compensation may be distributed in the form of shares or in cash. The board of directors is authorized to set the qualification requirements of employees, including the employees of parents or subsidiaries of the Company meeting certain specific requirements, entitled to the distribution.

If there is surplus after the fiscal year closes, it shall be distributed in the following order:

I. Payment of tax

II. Make up for previous years' loss

III. Set aside 10% as legal reserve (Where such legal reserve amounts to the total paid-in capital, this provision shall not

apply).

- IV. Set aside or reverse special reserve according to the law.
- V. From the balance (hereinafter known as “surplus of the year”) plus the beginning undistributed surplus, dividends distributable for preferred shares may first be distributed, to obtain surplus available for distribution. The board of directors is to prepare a profit distribution proposal, and submit the motion for dividend distribution at the shareholders' meeting for approval. The dividends and bonuses in the preceding paragraph, or the legal reserve and capital reserve set aside, in whole or in part, may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and a report shall be submitted to the shareholders' meeting.

The Company adopts a residual dividend policy. By considering factors such as the Company's current and future investment environment, capital needs, internal and external competition, and capital budget, and taking into account the interest of shareholders, balanced dividend and the Company's long-term financial plan. The Company's annual total dividend distribution shall not be less than 20% of the current year's surplus. However, if the shareholder bonus is less than NT\$0.5 per share, the distributable surplus may be retained and not distributed. The annual cash dividend distribution shall not be less than 10% of the total cash and stock dividend distributed for the year.

## Chapter 7            Supplementary Provisions

Article 21: Matters not covered in the Articles of Incorporation shall be handled in accordance with the provisions of the Company Act.

Article 21-1: The Company's organizational rules and administrative regulations shall be prescribed.

Article 22: The Articles of Incorporation was formulated on May 10, 2007; and the first amendment was made on August 12 2009; the second amendment on October 5, 2009; the third amendment on November 1, 2010; the fourth amendment on November 12, 2012; the fifth amendment on January 21, 2013; the sixth amendment

on the February 18, 2013; seventh amendment on April 12, 2013; the eighth amendment on June 17, 2013; the ninth amendment on May 14, 2014; the tenth amendment on April 9, 2015; the eleventh amendment on February 15, 2016; the twelfth amendment on June 20, 2017; the thirteenth amendment on June 19, 2018, the fourteenth amendment on June 11, 2019, the fifteenth amendment on May 28, 2020, the sixteenth amendment on July 9, 2021, the seventeenth amendment on May 24, 2022 the eighteenth amendment on June 6, 2023, and the nineteenth amendment on May 27, 2024.

Bora Pharmaceuticals Co., Ltd.  
Chairman: Bobby Sheng