



EirGenix, Inc.

2023 Annual Shareholders' Meeting Minutes

(This document is prepared in accordance with the Chinese version and is for reference only. In the event of any discrepancy between the English version and the Chinese version, the Chinese version shall prevail.)

Time and Date: 9:30 a.m., May 31, 2023

Place: International Conference Hall, R&D Center, Hsinchu Biomedical Park (2F, No. 8, Sec. 2, Shengyi Rd., Zhubei City, Hsinchu County).

Video supplementary Shareholders' meeting.

Visual communication platform used at the meeting: The visual communication platform provided by the Taiwan Depository & Clearing Corporation (<https://www.stockvote.com.tw>)

Total outstanding shares: 304,667,204 shares

Total shares represented by shareholders present in person or by proxy: 180,157,437 shares (including 105,662,644 shares represented by the shareholders by electronic voting method)

Percentage of shares held by shareholders present in person or by proxy: 59.13%

Chairman: Lee-Cheng Liu

Directors:

**Formosa Laboratories, Inc., Representative: Cheng-Yu Cheng
National Development Fund, Executive Yuan, Representative:
Hsiu-Hui Chen**

**Yao-Hwa Glass Co., Ltd, Management Commission,
Representative: Ku-Sung Weng**

Independent Director:

Ming-Thaur Chang (Convener of the Audit Committee)

Po-Chih Chen

Ming-Shen Chen

Other attendees :

COO: Chih-Jung Chang

CFO: Hsiu-Chuan Yang

PricewaterhouseCoopers Taiwan, CPA: Sheng-Wei Deng

Formosa Transnational Attorneys at Law, Lawyer: Yui-Ka Wang

Recorder: Ya-Han Liu

The aggregate shareholding of the shareholders presents in person or by proxy constituted a quorum.

The Chairman called the meeting to order.

Chairman Remarks. (omitted)

I. Report Items

Item No.1

Subject: Report the Business Results of 2022.

Explanatory Notes : Please refer to Attachment I.

Item No.2

Subject: Audit Committee's Review Report.

Explanatory Notes : Please refer to Attachment II.

Item No.3

Subject: The 2022 Implementation Report for the Sound Business Plan.

Explanatory Notes :

The 2022 Implementation Report for the Sound Business plan is submitted to the Board of Directors for monitoring and reported to the Shareholders' Meeting; please refer to Attachment III.

Item No.4

Subject: Amendment to the Regulations Governing Procedure for Board of Directors Meetings.

Explanatory Notes :

It is proposed to amend the Regulations Governing Procedure for Board of Directors Meetings according to the official announcement from Financial Supervisory Commission on August 5, 2022 (official letter No. 1110383263). The comparison table is attached hereto as Attachment IV.

Item No.5**Subject: Amendment to the Sustainable Development Best Practice Principles.****Explanatory Notes :**

It is proposed to amend the Sustainable Development Best Practice Principles pursuant to the official announcement from Financial Supervisory Commission on November 25, 2021 (official letter No. 1100375814), December 12, 2022 (official letter No. 1110361758), and December 21, 2022 (official letter No. 1110152489). The comparison table is attached hereto as Attachment V.

Item No.6**Subject: Discontinue the Private Security Offering Approved by 2022 Shareholders' Meeting.****Explanatory Notes :**

1. It was authorized in the Shareholders' Meeting on June 10, 2022 that the Board of Directors may raise funds of at most 30,000,000 shares of common stocks by private placement depending on the market status and the Company's actual demands. The private placement shall be conducted one to three times within one year after the authorization starting from the resolution date.
2. As the termination date is near, in consideration of working capital and market status, the said private placement shall not be renewed and continued.

Item No.7**Subject: Remuneration Policy for the Directors of 2022.****Explanatory Notes :**

Remuneration Policy for the Directors of 2022; please refer to Attachment VI.

II. Proposed Resolutions

Item No.1 (Proposed by the Board of Directors)

Subject: Accept 2022 Financial Statements and the Business Report.

Explanatory Notes :

1. EirGenix's 2022 Financial Statements, including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows, were audited by independent auditors, Mr. Sheng-Wei Deng and Mr. Yu-Fang Yen, of PricewaterhouseCoopers Taiwan.
2. 2022 Business Report, Independent Auditors' Report, and the aforementioned Financial Statements are attached hereto as Attachments I, II, and VII.

Voting Results:

Shares represented at the time of voting: 179,580,346 votes

Voting Results	% of the total represented share present
Votes in favor: 176,596,867 votes (electronic: 102,748,165 votes, virtual: 0 votes)	98.33%
Votes against: 124,894 votes (electronic: 124,894 votes, virtual: 0 votes)	0.06%
Votes invalid: 0 vote	0.00%
Votes abstained: 2,858,585 votes (electronic: 2,710,085 votes, virtual: 79,500 votes)	1.59%

*Including votes casted electronically (number in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

Item No.2 (Proposed by the Board of Directors)

Subject: Ratification of the 2022 Deficit Offset Proposal.

Explanatory Notes :

1. EirGenix's 2022 financial statement showed an accumulated deficit is NT\$115,539,539. According to the Company's Articles of Incorporation, EirGenix



does not intend to distribute dividends and bonuses this year.

2. It is proposed to compensate the total amount of the deficit by capital surplus; please refer to Attachment VIII.

Voting Results:

Shares represented at the time of voting: 179,580,346 votes

Voting Results	% of the total represented share present
Votes in favor: 176,565,550 votes (electronic: 102,716,848 votes, virtual: 0 votes)	98.32%
Votes against: 147,804 votes (electronic: 147,804 votes, virtual: 0 votes)	0.08%
Votes invalid: 0 vote	0.00%
Votes abstained: 2,866,992 votes (electronic: 2,718,492 votes, virtual: 79,500 votes)	1.59%

*Including votes casted electronically (number in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

Item No.3 (Proposed by the Board of Directors)

Subject: Adjustment of the Utilization Plan for Capital Injection by Private Placement.

Explanatory Notes :

1. EirGenix privately issued 55,000,000 ordinary shares at NT\$91.5 per share in 2021, and the full payment of NT\$5,032,500,000 was received on October 15, 2021.
2. Considering the operation of EirGenix, adjustment of the utilization plan for capital injection. There is no significant difference from the original projected benefits.

Unit : NT dollars

The Usage of Funds		Budget Amount	
		Before the change	After the change
To enrich working capital	R&D expenses	3,000,000,000	1,016,178,000
Expansion and building of factory		500,000,000	1,700,000,000
Others	Repay bank loans and replenish horizontal and vertical integration and other operational funding needs.	1,532,500,000	316,322,000
	Acquisition or purchase the intangible assets, operation-related assets, and right-of-use assets.	-	2,000,000,000
Total		5,032,500,000	

3. The Projected completion date is fourth quarter of 2025.

Voting Results:

Shares represented at the time of voting: 179,580,346 votes

Voting Results	% of the total represented share present
Votes in favor: 176,029,806 votes (electronic: 102,181,104 votes, virtual: 0 votes)	98.02%
Votes against: 709,202 votes (electronic: 709,202 votes, virtual: 0 votes)	0.39%
Votes invalid: 0 vote	0.00%
Votes abstained: 2,841,338 votes (electronic: 2,692,838 votes, virtual: 79,500 votes)	1.58%

*Including votes casted electronically (number in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

III. Items for Discussion

Item No.1 (Proposed by the Board of Directors)

Subject: Amendment to the Company's Articles of Incorporation.

Explanatory Notes :

It is proposed to amend EirGenix's Articles of Incorporation based on the Company Act and EirGenix's operation planning. The comparison table for the Company's Articles of Incorporation is attached hereto as Attachment IX.

Voting Results:

Shares represented at the time of voting: 179,580,346 votes

Voting Results	% of the total represented share present
Votes in favor: 176,604,060 votes (electronic: 102,755,358 votes, virtual: 0 votes)	98.34%
Votes against: 143,486 votes (electronic: 143,486 votes, virtual: 0 votes)	0.07%
Votes invalid: 0 vote	0.00%
Votes abstained: 2,832,800 votes (electronic: 2,684,300 votes, virtual: 79,500 votes)	1.57%

*Including votes casted electronically (number in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

Item No.2 (Proposed by the Board of Directors)

Subject: Adoption of the Issuance of Employee Restricted Stock Awards.

Explanatory Notes :

1. To attract and retain the professional talents required by EirGenix, to enhance the coherence of employees, EirGenix intends to issue a total of 805,000 shares at NT\$10 per share, and the total amount is NT\$8,050,000, and 870,000 shares at NT\$10 per share, and the total amount is NT\$8,700,000, according to Article 267 of

the Company Act and related rules, including the Regulations Governing the Offering and Issuance of Securities by Securities Issuers to lay down the Regulations of 1st and 2nd Employee Restricted Stocks in 2023. The actual number of shares to be issued will be resolved by the Board of Directors after the issuance of employee restricted stock awards is approved at the shareholders' meeting and by the competent authority.

2. The content and items of the Restricted Employee Stock are as follows:

(1) Issue Price: NT\$0 per share.

(2) The Eligibility of Employee:

Only the Company's and controlling and subordinate company's regular employees are already employed when RSAs are granted. The term "controlling and subordinate company" is recognized in accordance with the standard from Financial Supervisory Commission (official letter No.1070121068).

(3) Condition of Vesting:

1st Employee Restricted Stocks in 2023.

Condition A: Company operation performance and employee personal KPI.

Achieve a positive income before tax for three quarters, and employee's average KPI shall be over 2.66 for three consecutive years. 33.3% of total shares will be released.

Condition B: Employee job tenure and employee personal KPI.

Work in EirGenix for ten years, and employee personal average KPI shall be over 2.66 for three consecutive years. 16.7% of total shares will be released.

Condition C: Development of biosimilar EG12014 and employee personal KPI.

Timing I: Complete EG12014 Phase 3 and the employee's average KPI shall be over 2.66 for three consecutive years. 11.1% of total shares will be released.

Timing II: EG12014 Launched to market, and employee personal average KPI shall be over 2.66 for three consecutive years. 11.1% of total shares will be released.

Condition D: Development of biosimilar EG1206A and employee personal KPI.

Timing I: Complete EG1206A Phase 1, and employee personal average

KPI shall be over 2.66 for three consecutive years. 5.6% of total shares will be released.

Timing II: Complete EG1206A out-licensing or Phase 3 and employee personal average KPI shall be over 2.66 for three consecutive years. 11.1% of total shares will be released.

Condition E: New plant in Zhubei start running and completes 1,000L or 2*2,000L scale process validation and employee personal KPI.

The new plant in Zhubei starts running, and completes 1,000L or 2*2,000L scale process validation, and the employee personal average KPI shall be over 2.66 for three consecutive years. 11.1% of total shares will be released.

2nd Employee Restricted Stocks in 2023.

The employee must remain employed by the Company on the last date of each vesting period. During the vesting period, the employee may not breach any agreement with the company or violate the Company's employment agreement, service agreement, trust agreement, company governance best practice principles, ethical corporate management best practice principles, work rules, non-compete and non-disclosure agreement of the Company or any agreement with the Company. Specific employee performance metrics and the Company's business performance metrics are met in the Employee Restricted Stock Awards Rules.

Condition A: When the annual Key-Performance-Indicator (KPI) of the Company is at least 2.5, the employee will be eligible to receive 100% shares of the Company's restricted stock.

Condition B: When EirGenix reaches the break-even milestone for a fiscal year based on an audited income statement, the employee will be eligible to receive 100% shares of Company's restricted stock.

Condition C: When the Company and employee's annual Key-Performance-Indicator (KPI) is at least 2.5, the employee will be eligible to receive 100% shares of the Company's restricted stock.

- (4) Category of Restricted Employee Stock: Common shares of the company.
- (5) Measures to be taken when employees fail to meet the vesting conditions or in

the event of inheritance: Where an executive fails to meet the vesting conditions, the Company will reclaim the granted RSAs and cancel the same at no extra cost to the Company; for exceptional events, including but not limited to inheritance, the Company will take measures as set forth in the Employee Restricted Stock Awards Rules.

- (6) Number of Restricted Employee Stock eligible for subscription: The number for subscription to the respective employee is determined by the job level, salary, job tenure, performance, the contribution of the company's primary operation goals, the regulations at the subscription time and other caused as the reference.
 - (7) Restricted rights before employees meet the vesting conditions:
 - A. During the vesting period, the employee may not sell, pledge, transfer, give to another person, create any encumbrance on, or otherwise dispose of, restricted stock awards.
 - B. Voting right in Shareholders' Meetings: The same as common stock.
 - C. Dividend: The same as common stock.
3. Expected expense amount: The calculation of the expected expense amount is based on EirGenix 's outstanding 304,564,529 shares, the estimated issue of 1,675,000 shares by restricted stock, and the average closing price in February 2023 is NT\$121.72 as fair value. If all employees achieve the condition, the total estimated expense amount is NT\$203,881 thousand. Based on the estimated issue date and given date are one to ten years, the annual amortized expense from 2023 to 2032, respectively, will be NT\$82,969 thousand, NT\$75,926 thousand, NT\$25,565 thousand, NT\$5,176 thousand, NT\$2,590 thousand, NT\$2,590 thousand, NT\$2,590 thousand, NT\$2,590 thousand, NT\$2,590 thousand and NT\$1,295 thousand. However, the actual amount will be calculated by the fair value on the given date and recognized related expenses in installments during the vested period.
4. Dilution of EPS and other factors affecting shareholders' equity: EirGenix issues Restricted Employee Stock, representing 0.54% of an aggregate number of all shares issued by EirGenix this time, dilution to EPS from 2023 to 2032 respectively will be NT\$0.271, NT\$0.248, NT\$0.084, NT\$0.017, NT\$0.008, NT\$0.008, NT\$0.008, NT\$0.008, NT\$0.008 and NT\$0.005. Accordingly, this will not result in a material impact on the shareholder's equity.

5. Other important stipulations: The Employee Restricted Stock issued may be deposited in a trust account.
6. It is proposed to the shareholders' meeting to authorize the board of directors to adjust the condition or regulation of the Employee Restricted Stock this time by law or as required by the competent authority and to also authorize the board of directors to decide the actual list of subscribers and the amount. The board of directors shall have full power to handle the issue without violating the principle of content agreed upon by the shareholder's meeting.

Voting Results:

Shares represented at the time of voting: 179,580,346 votes

Voting Results	% of the total represented share present
Votes in favor: 157,849,983 votes (electronic: 84,001,281 votes, virtual: 0 votes)	87.89%
Votes against: 3,561,126 votes (electronic: 3,561,126 votes, virtual: 0 votes)	1.98%
Votes invalid: 0 vote	0.00%
Votes abstained: 18,169,237 votes (electronic: 18,020,737 votes, virtual: 79,500 votes)	10.11%

*Including votes casted electronically (number in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

Item No.3 (Proposed by the Board of Directors)

Subject: Approval of Private Placement of Securities.

Explanatory Notes :

1. EirGenix has considered the timeliness of financing activities and the operational needs, and it will conduct private placements of common shares at a proper time, depending on the capital market. The maximum number of total shares issued will be 30,000,000 shares. It will be issued from one to three closings within one year of a resolution adopted by a shareholder meeting to increase the flexibility of

EirGenix’s financing activities. The anticipated issuance information is as follows. The actual issuance limit will be submitted to the shareholders’ meeting to authorize the board of directors to determine it based on market conditions and the result of negotiations with investors.

Anticipated number of closings	Anticipated number of shares	It is estimated to conduct private placements for the capital increase in three closings. The unissued number of shares may be combined with the next closing or the anticipated number of shares of each closing may be combined together. The total number of shares issued shall not exceed 30,000,000 shares.
First time	10,000,000	
Second time	10,000,000	
Third time	10,000,000	

2. The issuance of private placements is conducted in accordance with the “Securities and Exchange Act” and “Directions for Public Companies Conducting Private Placements of Securities.”
3. The basis and reasonableness of the private placement pricing:
The reference price is the simple average closing price of the common shares of the TWSE listed or TPEX listed company for either the 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction; or the simple average closing price of the common shares of the TWSE listed or TPEX listed company for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction. The price shall be the higher of the above two calculations. The private placement pricing shall not be lower than 80% of the reference price.
4. Source and the total amount of the private placement: The total estimated amount of offering securities to specific persons pursuant to Article 43-6 of the Securities Exchange Act.
5. The method for selecting the specific persons and the anticipated benefits:
 - (1) The placees of the private placement are strategic investors. In accordance with Article 43-6 of the Securities and Exchange Act and Taiwan Finance Certificate (1) No. 0910003455 issued by the Financial Supervisory Commission on June 13, 2002, it states to select those who are beneficial to

the long-term development of the Company, and improve the operational performance, strengthen competitiveness, and generate benefits for existing shareholders' equity.

- (2) The method and purpose for selecting the placees: the purpose for the placees selected this time is to introduce strategic investors. The main targets are strategic investors who have developing experiences in biomedicine and health and can stabilize the Company's equity and capital structure.
 - (3) The necessity of the placees: to accelerate the product developing efficiency as well as the process of the same drug series to complete the production line. By the comprehensive effect of expanding the market, it can establish EirGenix's unique status in the international biosimilars and CDMO field. In order to sustain EirGenix's operation and development, it is necessary to conduct private placement to introduce strategic investors by resolution.
 - (4) The relationship between the placees and the company: The placees haven't been arranged.
 - (5) There is no significant change in managerial control within the 1 year period immediately preceding the day on which the board of directors resolves on the private placement and no significant change in managerial control after the introduction of strategic investors through private placement.
 - (6) Anticipated benefits: improve EirGenix's operating scale, horizontal and vertical integration, and product or market development collaboration, assist EirGenix improving technology, efficiency, expand the operational scale, and improve the market status. It has positive benefits in creating EirGenix and shareholder value.
6. The reasons for the necessity of conducting the private placement:
- (1) The reasons for not using a public offering:
With the considerations of the timeliness of financing activities and the uncertainty of the capital market, and the benefit for the Company's long-term operating development because of the transfer limit of the private placement common share, it plans to conduct the financial activities with the private placement.
 - (2) The use of the funds for each closing of the private placement and the

anticipated benefits:

- A. The use of the funds for each closing of the private placement of common shares is to replenish operating capital for research and development expenses, plant expansion, horizontal and vertical integration, and other operational funding needs. It could strengthen EirGenix's financial structures and promote stable growth in operation.
 - B. Anticipated benefits: each closing is to act in concert with EirGenix's long-term development. It can cope with product development needs and expand operational scales to strengthen EirGenix's financial structure.
7. The rights and obligations of the private placement of the common share are technically the same as the issued share. However, in accordance with the Securities and Exchange Act, the private placement of common shares may not be resold within three years after the delivery date except for the transfer objects in accordance with Article 43-8 of the Securities and Exchange Act. The private placement of common shares may be submitted to the shareholders meeting to authorize the board of directors to file an application to the Competent Authority with relevant regulations for supplemental public issuance and listed transactions depending on the condition after three years of the delivery date and meet certain conditions of the competent authority.
8. The main content of the private placement plan, except with the actual issuance price, includes the number of shares for issuance, terms of issuance, the period for payment of subscription, the record date of the capital increase, planned item, estimated progress, estimated possible benefits, and all other matters related to the issuance plan. It is proposed to the shareholders' meeting to authorize the board of directors to adjust, establish, and handle according to market conditions. Any changes in the future due to changes in law and regulation, amendments instructed by the competent authority, and changes based on operational evaluation or objective circumstance shall be proposed to the shareholders' meeting to authorize the board of directors to take full charge of it.
9. According to Article 43-6 of the Securities and Exchange Act, the explanation of the Company's private placement of security resolutions can be found on the Market Observation Post System (<https://mops.twse.com.tw>) and EirGenix website



(<http://www.eirgenix.com>).

Voting Results:

Shares represented at the time of voting: 179,580,346 votes

Voting Results	% of the total represented share present
Votes in favor: 176,440,749 votes (electronic: 102,592,047 votes, virtual: 0 votes)	98.25%
Votes against: 298,121 votes (electronic: 298,121 votes, virtual: 0 votes)	0.16%
Votes invalid: 0 vote	0.00%
Votes abstained: 2,841,476 votes (electronic: 2,692,976 votes, virtual: 79,500 votes)	1.58%

*Including votes casted electronically (number in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

Item No.4 (Proposed by the Board of Directors)

Subject: Proposal to Release the Prohibition on Directors or Representatives of Directors from Participation in Competitive Business.

Explanatory Notes :

1. According to Article 209 of the Company Act, “A director who does anything for himself or on behalf of another person that is within the scope of the company's business shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.”
2. It is proposed that the shareholders meeting agree to release the prohibition on directors or representatives of directors from participation in the competitive business; please refer to Attachment X.

Voting Results:

Shares represented at the time of voting: 179,580,346 votes

Voting Results	% of the total represented share present
Votes in favor: 176,491,577 votes (electronic: 102,642,875 votes, virtual: 0 votes)	98.28%
Votes against: 243,178 votes (electronic: 243,178 votes, virtual: 0 votes)	0.13%
Votes invalid: 0 vote	0.00%
Votes abstained: 2,845,591 votes (electronic: 2,697,091 votes, virtual: 79,500 votes)	1.58%

*Including votes casted electronically (number in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

(Questions on Report Items, Proposed Resolutions and Items for Discussion raised by the shareholders and the management's responses were omitted.)

IV. Extemporary Motions

There being no other business and special motion, upon a motion duly made and seconded, the meeting was adjourned.

V. Meeting Adjourned

EirGenix, Inc.**2022 Annual Business Report****1. 2022 Business Result****(1) Business plan implementing results**

EirGenix was established on December 21, 2012 and listed in the market on June 28, 2019. It is a biotechnology and medical company focusing on biosimilars, drug discovery, and biopharmaceutical Contract Development and Manufacturing Organization (CDMO). The revenue was NT\$1,481,017 thousand in 2022 and NT\$1,697,359 thousand in 2021. The difference was mainly due to (1) deferred recognition of the milestone payments as a result of a delay in overseas medicine certificate and (2) pause of facility revamp work in Xizhi by four months for CDMO (contract development and manufacturing) business. EirGenix holds the critical technology of biotechnological drug development and manufacture and is able to provide differentiated services with high value-added. Once production line expansion and upgrade have been completed, the growth momentum of revenues will resume. The consistent and stable operating income can cover part of the development expense for biosimilars. Various drug development projects are being implemented successively as planned. EirGenix's financial and business condition will rise substantially after obtaining the medicine certificate for mass production.

(2) Research and development status**I. Establish competitive and complete production line development strategies:**

- A. EirGenix is currently developing the product for the treatment of HER2+ breast cancer. The dual-target treatment with Pertuzumab in combination with Trastuzumab for late-stage HER2+ breast cancer is gradually being used for early-stage breast cancer. EG1206A is one of the biosimilar leaders in the Pertuzumab market. This will also boost the market share of EG12014.
- B. The exclusive licensee of EG12014 (Trastuzumab Biosimilar), Sandoz, maintains close communication with the FDA (Food and Drug Administration). Sandoz also works with EirGenix and suppliers for improvements based on the FDA's opinions in the shortest timeframe possible and files a resubmission after the response. Within six months after the resubmission, the FDA will provide the review results in response to the application for approval. Meanwhile, the applications to the EMA (European Medicines Agency) and TFDA (Taiwan Food

and Drug Administration) for approval are currently under review.

- C. Phase 1 clinical trial of EG1206A (Pertuzumab Biosimilar) is scheduled for completion by the second quarter of 2023.
- D. The antibody-drug conjugate (ADC) EG12043 (TSY0110), jointly developed by the Company and Formosa Pharmaceuticals. In the pre-IND meeting with the US FDA at the beginning of 2023, FDA and EMA experts had different views on the design and requirements of the phase I clinical trials. We will integrate the different design requirements before applying the clinical trials.
- E. The DMF (drug master file) registration for the active pharmaceutical ingredient (API) of EG74032 carrier protein was obtained from the FDA in January 2023.

II. Outstanding development and manufacture technology of biotechnological drugs:

- A. EirGenix's Zhubei plant has passed the review by the FDA and obtained an EIR (Establishment Inspection Report) before the drug launch.
- B. The CDMO contracts signed in 2022 reached a total value of NT\$1.77 billion (US\$59 million), up 14% year-on-year. The CAGR (compound annual growth rate) was 41.7% in 2017-2022.
- C. In 2023, the mammalian capacity will reach 25,500L and the microbial capacity will reach 150L. Building B at the Zhubei plant is expected to be completed in 2025/2026, to increase the microbial capacity to 1,500L. Meanwhile, a three-stage expansion of the mammalian plant which has 150,000L capacity, is under planning at Ciaotou Science Park, Tainan.
- D. Granted Accreditation Certificate of Foreign Drug Manufacturer by Japan MHLW, with the accreditation category of "biological products" and effective date from October 24, 2022 to October 30, 2027.

III. Affirmation on business performance:

- A. Best Bioprocessing Awards in Taiwan and the Greater China issued by Biologics Manufacturing Asia (BMA).
- B. National Innovation and Advancement Award (EG12014 and CRM197).
- C. Top 5% among TPEx-listed companies in the 8th Corporate Governance Evaluation.

(3) Financial revenue and expenditure and profitability analysis

The annual operating incomes are NT\$ 1,481,017 thousand dollars, which are mainly contributed by CDMO business and cooperative development revenue. The gross profit is

NT\$ 756,452 thousand dollars with a 51% gross margin rate. The major expenditures in 2022 were biosimilars development and research expenses. The reason for that is because the products are still in the development stage and require more investments for research and development funds, such as clinical study expenses, research and development material expenses, and research and development staff salaries. CDMO sales and other revenues are still unable to fully cover the research and development expenditures mentioned previously at this point, which is the main reason that caused EirGenix's loss. The investment of research and development expenditures now is to accumulate the energy for future profit growth after the product launches.

The completion of its 5.0325 billion New Taiwan Dollars private placement in 2021. The private placement investors include Foxconn Technology Co., Ltd., Yonglin Capital Holding Co., Ltd., and Hong Wei Investment Co., Ltd. The cash capital increase will be a significant benefit to EirGenix's long-term development and will further enhance the company's operating efficiency. With the recent injection of additional capital funding, EirGenix can now accelerate the execution of its future strategic planning. For the product development unit, the product pipeline will be expanded to include more biosimilar drug products. For the CDMO unit, the current facility infrastructure will add additional production lines and facilities to handle even more diversified biological products and break into the field of cell and gene therapy, as well as the extension of services to further link upstream, midstream, and downstream development and manufacturing services. In addition to the existing arrangement in Taiwan, for example, invest in TFBS continuously and to be their largest shareholder; EirGenix will seek to establish various forms of cooperation with international entities, which include but are not limited to collaborations, strategic alliances, or mergers and acquisitions. Soon EirGenix will become an important hub for biopharmaceutical development and manufacturing on the global stage.

Unit: %

Item \ Year		2022	2021
Financial Structure	Debt Ratio	9.83	8.85
	Long Term Funds to property, plant and equipment	426.10	569.09
Solvency	Current Ratio	1,133.94	1,289.83
	Quick Ratio	1,015.88	1,215.91
Profitability	Rate of return on assets	(0.93)	(0.34)
	Rate of return on equity	(1.09)	(0.69)
	Net Profit Margin	(7.80)	(2.51)
	Earnings per share (NT\$)	(\$0.38)	(\$0.18)

(4) Budget implementation status

EirGenix had only set up an internal budget goal for 2022 and did not disclose the financial forecast to the public. The overall budget implementation has met the goal.

2. 2023 Business plan summary

(1) Business policy

EirGenix's business policy is to maintain the sustainable growth since its establishment. It came up with three major service items after considering the three factors of the sales and developing time of drugs, risk value, and potential returns, three stages of the business focus have been set: 1. Contract Development and Manufacturing Organization (CDMO); 2. Biosimilar Development, and 3. Me too and Novel biologics development to make the best of EirGenix's cGMP production factory, equipment, and high-end technology human resources.

(2) Estimated sales, and its basis, and important production and sales policy

EirGenix's biosimilars in development are still in the developing stage. The main revenue resource comes from Contract Development and Manufacturing Organization and authorized product collaborations. The senior management team proposes the overall goal and strategy, and the research and development team make various development project plans. The project schedule for plan implementation and sales projection is made by feasibility analysis, market potential and financial evaluation.

3. EirGenix's future development strategy

(1) The short-term development strategy is "Build up the foundation and move forward step by step." The strategy plans for products in-development and CDMO sales & marketing development are as follows:

- A. EG12014 approved by the FDA, the EMA, and the TFDA.
- B. EG12014 (HERWENDA® - Sandoz | EIRGASUN® - EirGenix) market launch.
- C. EG1206A Phase 1 clinical trial completed. Application submitted for Phase 3 trials.
- D. Application for EG12043 (TSY0110) clinical trials (IND).
- E. EG13074 pre-clinical preparation completed.
- F. Expansion of Building B at Zhubei plant to increase the microbial capacity to 1,500L in 2025/2026.

- (2) The medium and long-term development strategy is “Products are developing and launching one after another to promote stable growth in revenue. The strategy plans for products in-development and CDMO sales development are as follows:
- A. New dosage forms or new drug delivery systems of biosimilars: development of Trastuzumab high-concentration subcutaneous injection doses; planning for the development of EG12014+EG1206A dual-targeting high-concentration subcutaneous injection doses. The successful development of high-concentration subcutaneous injection doses will increase the market shares of these products and enable EirGenix as the primary supplier of biosimilar drugs for the treatment of HER2+ breast cancer.
 - B. Discussions with international pharmaceutical companies are currently ongoing regarding the establishment of a development alliance for biosimilars in immuno-oncology. Four new projects are expected. According to the development schedule, one new product will be introduced to the market each one to two years starting in 2026. Hence, a three-stage expansion of the mammalian capacity by 150,000L is under planning at Ciaotou Science Park, Tainan. The new capacity can be used to manufacture in-house developed drugs and accept customers’ orders for commercial and scale production.

4. Effects by the external competitive environment, legal environment, and overall business environment

The mission of EirGenix at the beginning is to provide high-quality and cost-effective Contract Development and Manufacturing Organization and develop biosimilars with commercial values. The medium to long-term goal is focusing on Niche Biologics development to benefit the human and the society and improve the life quality. EirGenix insists on making the technology first with excellent quality as the foundation and be responsible for customer’s success. The goal is to become an international biotechnology and medicine company that begins in Taiwan and focuses on the global market.

We would like to thank all of the shareholders, customers, and collaborating business partners for encouraging and supporting us, as well as the contribution and hard work from our employees. Together it brings prosperity and constant growth for EirGenix.

EirGenix, Inc.

Chairman & President: Lee-Cheng Liu

Head of Accounting Department: Hsiu-Chuan Yang

EirGenix, Inc.**Audit Committee's Review Report**

The Board of Directors has prepared EirGenix's 2022 Business Report, Financial Statement, and Deficit Offset Statement. The CPA Sheng-Wei Deng and Yu-Fang Yen of PricewaterhouseCoopers Taiwan was retained to audit EirGenix's Financial Statement and has issued an audit report relating to the Financial Statement.

The Business Report, Financial Statement, and Deficit Compensation Statement have been reviewed and determined to be correct and accurate by the Audit Committee member of EirGenix. According to relevant requirements of the Securities and Exchange Act and the Company Act, we hereby submit this report.

To

EirGenix, Inc. 2023 Annual Shareholders' Meeting

EirGenix, Inc.

Chairman of Audit Committee: Ming-Thaur Chang

Member of Audit Committee: PO-Chih Chen

Member of Audit Committee: Fu-Shiow Yin

Member of Audit Committee: Ming-Shen Chen

March 10, 2023

EirGenix, Inc.
2022 Improvement Report for the Sound Business Plan

Unit: NT thousand dollars

Item	Actual	Estimate	Increase (decrease) amount	Increase (decrease) percentage
Operating Revenue	1,481,017	1,497,888	(16,871)	(1.13%)
Operating Cost	724,565	742,808	(18,243)	(2.46%)
Gross Profit	756,452	755,080	1,372	0.18%
Operating Expenses	1,087,271	1,137,195	(49,924)	(4.39%)
Operating Income (Loss)	(330,819)	(382,115)	(51,296)	13.42%
Non- operating income (loss)	216,504	217,145	(641)	(0.3%)
Net loss before income tax	(114,315)	(164,970)	(50,655)	30.71%

EirGenix achieved 98.87% of the target for 2022 revenues. The gross profit exceeded the estimation by NT\$1,372 thousand. The 2022 operating expenses were NT\$49,924 thousand less than estimated, primarily due to the R&D expense on EG12014 and the year-end employees' bonuses were lower than anticipated. The operating loss were NT\$51,296 thousand less than the estimation, mainly as a result of favorable movements of R&D expenses and year-end bonuses.

In conclusion, the net loss before tax decreased by NT\$50,655 thousand compared to the estimated amount due to a smaller R&D spend and lower year-end employees' bonuses. Therefore, EirGenix's implementation was reasonable in accordance with the sound business plan.

Attachment IV

Comparison Table for the Regulations Governing Procedure for Board of Directors Meetings

After the Revision	Before the Revision	Explanation
<p>Article 3</p> <p>A board of directors shall meet at least quarterly.</p> <p>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.</p> <p>All matters set out in the subparagraphs of Article 11, paragraph 1, shall be specified in the notice of the reasons for calling a board of directors meeting; none of them may be raised by an extraordinary motion except in the case of an emergency or legitimate reason.</p>	<p>Article 3</p> <p>A board of directors shall meet at least quarterly.</p> <p>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.</p> <p>All matters set out in the subparagraphs of Article 11, paragraph 1, shall be specified in the notice of the reasons for calling a board of directors meeting; none of them may be raised by an extraordinary motion except in the case of an emergency or legitimate reason.</p>	<p>The revisions to those Article are proposed in accordance with the amendment to “Regulations Governing Procedure for Board of Directors Meetings” by the ruling letter JinGuan-Zheng-Fa-Zi No. 1110383263 dated August 5, 2022, issued by the Financial Supervisory Commission.</p>
<p>Article 11-1</p> <p>A company shall submit the following items for discussion by the board of directors:</p> <ol style="list-style-type: none"> 1. Corporate business plan. 2. Annual and semi-annual financial reports, with the exception of semi-annual financial reports which, under relevant laws and regulations, need not be audited and attested by a certified public accountant (CPA). 3. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Act, and an 	<p>Article 11-1</p> <p>A company shall submit the following items for discussion by the board of directors:</p> <ol style="list-style-type: none"> 1. Corporate business plan. 2. Annual and semi-annual financial reports, with the exception of semi-annual financial reports which, under relevant laws and regulations, need not be audited and attested by a certified public accountant (CPA). 3. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Act, and an 	

<p>assessment of the effectiveness of the internal control system.</p> <p>4. Adoption or amendment, pursuant to Article 36-1 of the Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others.</p> <p>5. The offering, issuance, or private placement of any equity-type securities.</p> <p><u>6. In case a company has no managing directors, election or discharge of chairman.</u></p> <p><u>7.</u> The appointment or discharge of a financial, accounting, or internal audit officer.</p> <p><u>8.</u> A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.</p> <p><u>9.</u> Any matter required by Article 14-3 of the Act or any other law, regulation, or bylaw to be approved by resolution at a shareholders' meeting or board of directors meeting, or any such significant matter as may be prescribed by the competent authority.</p> <p>The term "related party" in subparagraph <u>8-7</u> of the preceding paragraph means a related party as</p>	<p>assessment of the effectiveness of the internal control system.</p> <p>4. Adoption or amendment, pursuant to Article 36-1 of the Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others.</p> <p>5. The offering, issuance, or private placement of any equity-type securities.</p> <p>6. The appointment or discharge of a financial, accounting, or internal audit officer.</p> <p>7. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.</p> <p>8. Any matter required by Article 14-3 of the Act or any other law, regulation, or bylaw to be approved by resolution at a shareholders' meeting or board of directors meeting, or any such significant matter as may be prescribed by the competent authority.</p> <p>The term "related party" in subparagraph 7 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities</p>	
---	--	--

<p>defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means any individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NT\$100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year. (Omitted)</p>	<p>Issuers. The term "major donation to a non-related party" means any individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NT\$100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year. (Omitted)</p>	
<p>Article 18 If there is one or more managing director on the board of directors, the provisions shall apply mutatis mutandis to the procedure for meetings of the managing directors <u>and chairman</u>, provided that if a meeting of managing directors is scheduled to be convened within seven days, the notice to each managing director may be made two days in advance.</p>	<p>Article 18 If there is one or more managing director on the board of directors, the provisions shall apply mutatis mutandis to the procedure for meetings of the managing directors, provided that if a meeting of managing directors is scheduled to be convened within seven days, the notice to each managing director may be made two days in advance.</p>	
<p>Article 21 The Procedure was enacted on July 24th, 2013. The 1st amendment was made on August 8th, 2016. The 2nd amendment was made on March 23rd, 2018. The 3rd amendment was made on March 20th, 2020. <u>The 4th amendment was made on March 10th, 2023.</u></p>	<p>Article 21 The Procedure was enacted on July 24th, 2013. The 1st amendment was made on August 8th, 2016. The 2nd amendment was made on March 23rd, 2018. The 3rd amendment was made on March 20th, 2020.</p>	<p>Add the date of amendments.</p>

Attachment V

Comparison Table for the Sustainable Development Best Practice

Principles

After the Revision	Before the Revision	Explanation
<p>Sustainable Development Corporate Social Responsibility Best Practice Principles</p>	Corporate Social Responsibility Best Practice Principles	<p>The revisions to those Article are proposed in accordance with the amendment to “Sustainable Development Best Practice Principles” by the ruling letter JinGuan-Zheng-Fa-Zi No. 1100375814 dated November 25, 2021, JinGuan-Zheng-Fa-Zi No. 1110361758 dated December 12, 2022, JinGuan-Zheng-Fa-Zi No. 1110152489 dated December 21, 2022, issued by the Financial Supervisory Commission.</p>
<p>Article 2 (Omitted) The company to actively fulfill sustainable development corporate social responsibility during their business operations to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on sustainable development corporate social responsibility.</p>	<p>Article 2 (Omitted) The company to actively fulfill corporate social responsibility during their business operations to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on corporate social responsibility.</p>	
<p>Article 3 In promoting sustainable development corporate social responsibility initiatives, the company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance. (Omitted)</p>	<p>Article 3 In promoting corporate social responsibility initiatives, the company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance. (Omitted)</p>	
<p>Article 4 To implement sustainable</p>	<p>Article 4 To implement corporate social</p>	

After the Revision	Before the Revision	Explanation
<p>development corporate social responsibility initiatives, the company are advised to follow the principles below:</p> <ol style="list-style-type: none"> 1. Exercise corporate governance. 2. Foster a sustainable environment. 3. Preserve public welfare. 4. Enhance disclosure of corporate sustainable development corporate social responsibility information. 	<p>responsibility initiatives, the company are advised to follow the principles below:</p> <ol style="list-style-type: none"> 1. Exercise corporate governance. 2. Foster a sustainable environment. 3. Preserve public welfare. 4. Enhance disclosure of corporate social responsibility information. 	
<p>Article 5</p> <p>The company shall take into consideration the correlation between the development of domestic and international sustainable development corporate social responsibility issues and corporate core business operations, and the effect of the operation of individual companies and of their respective business groups as a whole on stakeholders, in establishing their policies, systems or relevant management guidelines, and concrete promotion plans for sustainable development corporate social responsibility programs, which shall be approved by the board of directors and then reported to the shareholders meeting.</p> <p>When a shareholder proposes a motion involving sustainable development corporate social responsibility, the company's board of directors is advised to review and consider including it in the shareholders meeting agenda.</p>	<p>Article 5</p> <p>The company shall take into consideration the correlation between the development of domestic and international corporate social responsibility issues and corporate core business operations, and the effect of the operation of individual companies and of their respective business groups as a whole on stakeholders, in establishing their policies, systems or relevant management guidelines, and concrete promotion plans for corporate social responsibility programs, which shall be approved by the board of directors and then reported to the shareholders meeting.</p> <p>When a shareholder proposes a motion involving corporate social responsibility, the company's board of directors is advised to review and consider including it in the shareholders meeting agenda.</p>	
<p>Article 7</p> <p>The directors of the company shall exercise the due care of good administrators to urge the company</p>	<p>Article 7</p> <p>The directors of the company shall exercise the due care of good administrators to urge the company to</p>	

After the Revision	Before the Revision	Explanation
<p>to perform its <u>sustainable development</u> corporate social responsibility initiatives, examine the results of the implementation thereof from time to time and continually adjust to ensure the thorough implementation of its <u>sustainable development</u> corporate social responsibility policies.</p> <p>The board of directors of the company is advised to consider the interests of stakeholders, including the following matters, in the company's furtherance of its <u>sustainable development</u> corporate social responsibility objectives:</p> <ol style="list-style-type: none"> 1. Identifying the company's <u>sustainable development</u> corporate social responsibility mission or vision, and declaring its <u>sustainable development</u> corporate social responsibility policy, systems, or relevant management guidelines. 2. Making <u>sustainable development</u> corporate social responsibility the guiding principle of the company's operations and development, and ratifying concrete promotional plans for <u>sustainable development</u> corporate social responsibility initiatives; and 3. Enhancing the timeliness and accuracy of the disclosure of <u>sustainable development</u> corporate social responsibility information. (Omitted) 	<p>perform its corporate social responsibility initiatives, examine the results of the implementation thereof from time to time and continually adjust to ensure the thorough implementation of its corporate social responsibility policies.</p> <p>The board of directors of the company is advised to consider the interests of stakeholders, including the following matters, in the company's furtherance of its corporate social responsibility objectives:</p> <ol style="list-style-type: none"> 1. Identifying the company's corporate social responsibility mission or vision, and declaring its corporate social responsibility policy, systems, or relevant management guidelines. 2. Making corporate social responsibility the guiding principle of the company's operations and development, and ratifying concrete promotional plans for corporate social responsibility initiatives; and 3. Enhancing the timeliness and accuracy of the disclosure of corporate social responsibility information. (Omitted) 	
<p>Article 8</p> <p>The company are advised to, on a regular basis, organize education</p>	<p>Article 8</p> <p>The company are advised to, on a regular basis, organize education and</p>	

After the Revision	Before the Revision	Explanation
and training on the promotion of <u>sustainable development</u> corporate social responsibility initiatives, including promotion of the matters prescribed in paragraph 2 of the preceding article.	training on the promotion of corporate social responsibility initiatives, including promotion of the matters prescribed in paragraph 2 of the preceding article.	
<p>Article 9</p> <p>To manage <u>sustainable development</u> corporate social responsibility initiatives, the company <u>is advised to create a governance structure for promotion of sustainable development</u>, and establishes the finance department as the exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the <u>sustainable development</u> corporate social responsibility policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis.</p> <p>(Omitted)</p> <p>It is advised that the employee performance evaluation system be combined with <u>sustainable development</u> corporate social responsibility policies, and that a clear and effective incentive and discipline system be established.</p>	<p>Article 9</p> <p>To manage corporate social responsibility initiatives, the company establishes the finance department as the exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the corporate social responsibility policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis.</p> <p>(Omitted)</p> <p>It is advised that the employee performance evaluation system be combined with corporate social responsibility policies, and that a clear and effective incentive and discipline system be established.</p>	
<p>Article 10</p> <p>The company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the company, and establish a designated section for stakeholders on the company website; understand the reasonable expectations and demands of stakeholders through</p>	<p>Article 10</p> <p>The company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the company, and establish a designated section for stakeholders on the company website; understand the reasonable expectations and demands of stakeholders through proper</p>	

After the Revision	Before the Revision	Explanation
proper communication with them, and adequately respond to the important <u>sustainable development</u> corporate social responsibility issues which they are concerned about.	communication with them, and adequately respond to the important corporate social responsibility issues which they are concerned about.	
Article 12 The company are advised to endeavor to <u>utilize energy</u> more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.	Article 12 The company are advised to endeavor to utilize all resources more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.	
Article 17 The company are advised to assess the current and future potential risks and opportunities that climate change may present to enterprises and to adopt related measures. The company are advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following: 1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company. 2. Indirect greenhouse gas emissions: emissions resulting from the <u>utilization of energy</u> such as imported electricity, heating, or steam. <u>3. Other indirect emissions: emissions resulting from corporate activities that are not indirect emissions from energy, but are from other sources of emissions owned or controlled by the</u>	Article 17 The company are advised to assess the current and future potential risks and opportunities that climate change may present to enterprises and to adopt climate related measures. The company are advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following: 1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company. 2. Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam. (Omitted)	

After the Revision	Before the Revision	Explanation
<u>company.</u> (Omitted)		
Chapter 5 Enhancing Disclosure of <u>Sustainable Development</u> corporate social responsibility Information	Chapter 5 Enhancing Disclosure of Corporate Social Responsibility Information	
<u>Article 27-1</u> <u>The Company continues to contribute resources via donations, sponsorships, investments, procurements, strategic cooperation, volunteer technical services or other support models to art and cultural activities or cultural and creative industries, to promote cultural developments.</u>	None.	
Article 28 The company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for the company and shall fully disclose relevant and reliable information relating to their <u>sustainable development</u> corporate social responsibility initiatives to improve information transparency. Relevant information relating to <u>sustainable development</u> corporate social responsibility which the company shall disclose includes: 1. The policy, systems or relevant management guidelines, and concrete promotion plans for <u>sustainable development</u> corporate social responsibility initiatives, as resolved by the board of directors. 2. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a	Article 28 The company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for the company and shall fully disclose relevant and reliable information relating to their corporate social responsibility initiatives to improve information transparency. Relevant information relating to corporate social responsibility which the company shall disclose includes: 1. The policy, systems or relevant management guidelines, and concrete promotion plans for corporate social responsibility initiatives, as resolved by the board of directors. 2. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.	

After the Revision	Before the Revision	Explanation
<p>sustainable environment and preserving social public welfare.</p> <p>3. Goals and measures for promoting the <u>sustainable development</u> corporate social responsibility initiatives established by the companies, and performance in implementation.</p> <p>4. Major stakeholders and their concerns.</p> <p>5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.</p> <p>6. Other information relating to <u>sustainable development</u> corporate social responsibility initiatives.</p>	<p>3. Goals and measures for promoting the corporate social responsibility initiatives established by the companies, and performance in implementation.</p> <p>4. Major stakeholders and their concerns.</p> <p>5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.</p> <p>6. Other information relating to corporate social responsibility_ initiatives.</p>	
<p>Article 29</p> <p>The company shall adopt internationally widely recognized standards or guidelines when producing <u>sustainability</u> corporate social responsibility reports, to disclose the status of their implementation of the <u>sustainable development</u> corporate social responsibility policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports are advised to include:</p> <p>1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing <u>sustainable development</u> corporate social responsibility initiatives.</p> <p>2.~ 4. (Omitted)</p>	<p>Article 29</p> <p>The company shall adopt internationally widely recognized standards or guidelines when producing corporate social responsibility reports, to disclose the status of their implementation of the corporate social responsibility policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports are advised to include:</p> <p>1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing corporate social responsibility initiatives.</p> <p>2.~ 4. (Omitted)</p>	

After the Revision	Before the Revision	Explanation
<p>Article 30</p> <p>The company shall at all times monitor the development of domestic and foreign <u>sustainable development</u> corporate social responsibility standards and the change of business environment so as to examine and improve their established <u>sustainable development</u> corporate social responsibility framework and to obtain better results from the promotion of the <u>sustainable development</u> corporate social responsibility policy.</p>	<p>Article 30</p> <p>The company shall at all times monitor the development of domestic and foreign corporate social responsibility standards and the change of business environment so as to examine and improve their established corporate social responsibility framework and to obtain better results from the promotion of the corporate social responsibility policy.</p>	
<p>Article 31</p> <p>The principles and any amendments hereto, shall be implemented after they have been passed by a resolution of the Board and submitted in a report to a shareholders' meeting.</p> <p>The Procedure was enacted on April 17th, 2018.</p> <p>The 1st amendment was made on March 20th, 2020.</p> <p>The 2nd amendment was made on March 23rd, 2021.</p> <p><u>The 3rd amendment was made on August 11th, 2022.</u></p> <p><u>The 4th amendment was made on March 10th, 2023.</u></p>	<p>Article 31</p> <p>The principles and any amendments hereto, shall be implemented after they have been passed by a resolution of the Board and submitted in a report to a shareholders' meeting.</p> <p>The Procedure was enacted on April 17th, 2018.</p> <p>The 1st amendment was made on March 20th, 2020.</p> <p>The 2nd amendment was made on March 23rd, 2021.</p>	<p>Add the date of amendments.</p>

Attachment VI

Remuneration Policy for the Directors

If the Company has net profit in this fiscal year, the Company shall set aside 3% (inclusive) or less of its profits as bonus to Directors. The distribution of director remuneration shall be heard by over two-thirds of the Board of Directors, be voted in favor for implementation by over one-half of the directors present and represented, and also be reported at the shareholders' meeting. The Company shall first offset its losses in previous years that have not been previously offset, and then set aside annual profits as a bonus to Directors.

EirGenix did not distribute bonuses to directors for the aforementioned two years. Director Remuneration is the travel expenditure spent to attend Board. The compensation paid to the former chairman and independent directors is on a fixed monthly basis or for the purposes of carrying out their duties. Remuneration paid to the general manager is handled determined by considering the position of the chairman in the Company, the responsibility they assume, and their contribution to the Company, as well as industry benchmarks. The remuneration is proposed by the Company to the Remuneration Committee for approval and presented to the Board of Directors for review.

Unit : NTS thousands ; %

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company
		Base Compensation (A)		Severance Pay (B)		Directors Compensation(C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)						
		The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements	
																Cash	Stock	Cash	Stock			
	Chairman Lee-Cheng Liu	0	0	0	0	0	0	50	50	50 (0.04)	50 (0.04)	37,347 (Note)	37,347 (Note)	57	57	0	0	0	0	37,454 (32.42)	37,454 (32.42)	0
	Director National Development Fund, Executive Yuan	0	0	0	0	0	0	5	5	5 (0.004)	5 (0.004)	0	0	0	0	0	0	0	0	5 (0.004)	5 (0.004)	0
	Director Representative Hsiu-Hui Chen	0	0	0	0	0	0	50	50	50 (0.04)	50 (0.04)	0	0	0	0	0	0	0	0	50 (0.04)	50 (0.04)	0
	Former Director Representative Wei-Feng Kao	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Former Director Representative Jing-Jer Lin	0	0	0	0	0	0	10	10	10 (0.01)	10 (0.01)	0	0	0	0	0	0	0	0	10 (0.01)	10 (0.01)	0
	Director Formosa Laboratories, Inc.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Director Representative Cheng-Yu Cheng	0	0	0	0	0	0	45	45	45 (0.04)	45 (0.04)	0	0	0	0	0	0	0	0	45 (0.04)	45 (0.04)	0

Unit : NTS thousands ; %

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+ G) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company
		Base Compensation (A)		Severance Pay (B)		Directors Compensation(C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)						
		The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements	
		Cash	Stock	Cash	Stock	Cash	Stock	Cash	Stock			Cash	Stock	Cash	Stock	Cash	Stock	Cash	Stock			
Director Yao-Hwa Glass Co., Ltd, Management Commission		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Director Representative Ku-Sung Weng		0	0	0	0	0	0	30	30	30 (0.03)	30 (0.03)	0	0	0	0	0	0	0	0	30 (0.03)	30 (0.03)	0
Former Director Representative Wei-Hung Chang		0	0	0	0	0	0	20	20	20 (0.02)	20 (0.02)	0	0	0	0	0	0	0	0	20 (0.02)	20 (0.02)	0
Director Foxconn Technology Co., Ltd.		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Director Representative Yu-Ting Chen		0	0	0	0	0	0	20	20	20 (0.02)	20 (0.02)	0	0	0	0	0	0	0	0	20 (0.02)	20 (0.02)	0
Former Director Representative Jih-Luh Tang		0	0	0	0	0	0	30	30	30 (0.03)	30 (0.03)	0	0	0	0	0	0	0	0	30 (0.03)	30 (0.03)	0
Former Director Representative Hsueh-Yen Ku		0	0	0	0	0	0	10	10	10 (0.01)	10 (0.01)	0	0	0	0	0	0	0	0	10 (0.01)	10 (0.01)	0

Unit : NTS thousands ; %

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company		
		Base Compensation (A)		Severance Pay (B)		Directors Compensation(C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)								
		The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements			
Independent Director Ming-Thaur Chang		854	854	0	0	0	0	50	50	904 (0.78)	904 (0.78)	0	0	0	0	0	0	0	0	0	0	904 (0.78)	904 (0.78)	0
Independent Director Po-Chih Chen		536	536	0	0	0	0	30	30	566 (0.49)	566 (0.49)	0	0	0	0	0	0	0	0	0	0	566 (0.49)	566 (0.49)	0
Independent Director Fu-Shiow Yin		854	854	0	0	0	0	50	50	904 (0.78)	904 (0.78)	0	0	0	0	0	0	0	0	0	0	904 (0.78)	904 (0.78)	0
Independent Director Ming-Shen Chen		854	854	0	0	0	0	50	50	904 (0.78)	904 (0.78)	0	0	0	0	0	0	0	0	0	0	904 (0.78)	904 (0.78)	0
Former Director Augusta Inc.		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Former Director Representative Chung-Hur Lee		360	360	0	0	0	0	20	20	380 (0.33)	380 (0.33)	0	0	0	0	0	0	0	0	0	0	380 (0.33)	380 (0.33)	0
Former Director Development Center for Biotechnology		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Unit : NT\$ thousands : %

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company		
		Base Compensation (A)		Severance Pay (B)		Directors Compensation(C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)								
		The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements			
																	Cash	Stock	Cash	Stock				
Former Director Taiwan Capital Buffalo II Bioventures, LP		0	0	0	0	0	0	20	20	20 (0.02)	20 (0.02)	0	0	0	0	0	0	0	0	0	0	20 (0.02)	20 (0.02)	0
Former Director Representative Chih-Lung Shen		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Note : Including the share-based payment.

1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration:

If the Company has net profit in this fiscal year, the Company shall set aside 3% (inclusive) or less of its profits as bonus to Directors. The distribution of director remuneration shall be heard by over two-thirds of the Board of Directors, be voted in favor for implementation by over one-half of the directors present and represented, and also be reported at the shareholders' meeting.

The Company did not pay any director remuneration during the previous two years. Directors only received traffic allowances for conducting businesses. Independent directors receive fixed emoluments for performing businesses. The aforesaid traffic allowances and emoluments for conducting businesses have been reviewed by Remuneration Committee and approved by the Board of Directors.

2. In addition to the above remuneration, director remuneration shall be disclosed as follows when received from companies included in the consolidated financial statements in the most recent year to compensate directors for their services, such as being independent contractors: None.

Financial Statements and Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of EirGenix Inc.

Opinion

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

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

Basis for opinion

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

Key audit matters

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

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

Accuracy of service revenue and authorisation and cooperative development revenue

Description

Refer to Note 4(26) for accounting policy on service revenue and authorisation and cooperative development revenue recognition, Note 5(2) for significant accounting estimates and assumptions, and Note 6(19) for details of operating revenue. The amount of service revenue and authorisation and cooperative development revenue for the year ended December 31, 2022 were NTD 757,680 thousand and NTD 261,876 thousand, respectively.

The Group's service revenue and authorisation and cooperative development revenue primarily arise from offering biopharmaceutical contract development and manufacturing services and authorising intellectual property rights of medicine development to pharmaceutical factory. Revenue is recognised based on the stage of completion at the balance sheet date provided that such transaction amounts can be reliably estimated. Since the information process, recording and maintenance are partially performed manually and the recognition of service revenue and authorisation and cooperative development revenue contains a high degree of uncertainty resulting in a complex calculation process, and revenue recognition is significant to the financial statements, we considered the accuracy of service revenue recognition a key audit matter.

How our audit addressed the matter

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

1. Obtained management's accounting policies on the service revenue and authorisation and cooperative development revenue recognition and confirmed that they are reasonable.
2. Selected samples and examined the contract in order to confirm whether the judgement made by the management was in line with the contract and generally accepted accounting principles.
3. For the performance obligation which was satisfied over time, selected samples and examined each data of contract costs and assessed whether the method and parameters used to measure the completion of performance obligation are reasonable.
4. Recalculated the accuracy of amount recognised as revenue and respective timing of recognition.

Impairment assessment of property, plant and equipment

Description

Refer to Note 4(17) for accounting policy on impairment of non-financial assets, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to property, plant and equipment and Note 6(8) for description of property, plant and equipment.

On December 31, 2022, property, plant and equipment amounted to NTD 2,608,848 thousand, which were constructed to extend the production capacity of GMP. The Company assesses at each balance sheet date the fair value or recoverable value of those assets whether there is any indication that they may be impaired based on internal and external information. Since the impairment indication assessment and information and assumptions used to assess recoverable amount of assets have a significant impact to property, plant and equipment, we considered the impairment assessment of property, plant and equipment a key audit matter.

How our audit addressed the matter

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

1. Reviewed and assessed the reasonableness of each data in the impairment assessment.
2. Assessed the estimation procedure of future cash flows, and checked whether the cash flows listed in the assessment is consistent with operating plans.
3. Interviewed management to discuss the Group's operations and reviewed the actual performance of prior years' operating plans in order to understand the Group's intention and ability and ascertained whether there was any significant postponement on research and development.
4. Assessed the reasonableness of the significant assumptions adopted in estimating cash flows.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of EirGenix Inc. as at and for the years ended December 31, 2022 and 2021.

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

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the 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 Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Teng, Sheng-Wei

Yen, Yu-Fang

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 10, 2023

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

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

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

Assets		Notes	December 31, 2022		December 31, 2021			
			AMOUNT	%	AMOUNT	%		
Current assets								
1100	Cash and cash equivalents	6(1)	\$	6,126,885	52	\$	6,625,384	58
1110	Current financial assets at fair value through profit or loss	6(2)		-	-		891	-
1136	Current financial assets at amortised cost	6(3)		1,000,000	9		1,636,640	14
1140	Current contract assets	6(19) and 7		234,399	2		170,597	1
1150	Notes receivable, net	6(4)		-	-		1,139	-
1170	Accounts receivable, net	6(4)		32,782	-		78,474	1
1180	Accounts receivable, net-related parties	7		-	-		546	-
1200	Other receivables			24,944	-		6,818	-
1220	Current income tax assets			5,963	-		1,128	-
130X	Inventories	6(5)		739,463	6		413,712	4
1410	Prepayments	6(6)		123,442	1		106,048	1
1476	Other current financial assets	6(1) and 8		-	-		27,334	-
1479	Other current assets, others			-	-		1,555	-
11XX	Total current assets			8,287,878	70		9,070,266	79
Non-current assets								
1510	Non-current financial assets at fair value through profit or loss	6(2) and 7		61,420	1		-	-
1517	Non-current financial assets at fair value through other comprehensive income	6(7)		279,325	2		11,607	-
1535	Non-current financial assets at amortised cost	6(3) and 8		41,123	-		8,588	-
1600	Property, plant and equipment, net	6(8) and 8		2,608,848	22		1,886,824	17
1755	Right-of-use assets	6(9) and 7		325,330	3		297,739	3
1780	Intangible assets	6(10)		28,067	-		19,553	-
1990	Other non-current assets, others	6(8), 7 and 8		215,165	2		146,296	1
15XX	Total non-current assets			3,559,278	30		2,370,607	21
1XXX	Total assets		\$	11,847,156	100	\$	11,440,873	100

(Continued)

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

Liabilities and Equity		Notes	December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2130	Current contract liabilities	6(19) and 7	\$ 150,475	1	\$ 223,967	2
2170	Accounts payable		134,607	1	86,456	1
2200	Other payables	6(11)	407,387	4	234,716	2
2220	Other payables - related parties	7	7,732	-	5,695	-
2230	Current tax liabilities		761	-	1,159	-
2280	Current lease liabilities	7	26,826	-	19,231	-
2320	Long-term liabilities, current portion	6(12)(13) and 8	-	-	127,070	1
2399	Other current liabilities, others		3,104	-	4,922	-
21XX	Total current liabilities		730,892	6	703,216	6
Non-current liabilities						
2527	Non-current contract liabilities	6(19)	-	-	20,059	-
2540	Long-term borrowings	6(13) and 8	120,460	1	-	-
2570	Deferred tax liabilities	6(25)	874	-	536	-
2580	Non-current lease liabilities	7	311,758	3	288,311	3
2600	Other non-current liabilities, others		294	-	-	-
25XX	Total non-current liabilities		433,386	4	308,906	3
2XXX	Total Liabilities		1,164,278	10	1,012,122	9
Equity						
	Capital	6(16)				
3110	Common stock		3,043,358	26	3,003,845	26
	Capital reserve	6(17)				
3200	Capital surplus		7,734,141	65	10,475,952	92
	Accumulated deficit	6(18)				
3350	Accumulated deficit		(115,540) (1) (2,973,500) (26)
	Other equity interest					
3400	Other equity interest		20,919	-	77,546) (1)
3XXX	Total Equity		10,682,878	90	10,428,751	91
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	Total Liabilities and Equity		\$ 11,847,156	100	\$ 11,440,873	100

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



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

	Items	Notes	Year ended December 31			
			2022		2021	
			AMOUNT	%	AMOUNT	%
4000	Operating Revenue	6(19) and 7	\$ 1,481,017	100	\$ 1,697,359	100
5000	Operating Costs	6(5)(10)(24) and 7	(724,565)	(49)	(604,305)	(35)
5900	Gross Profit		756,452	51	1,093,054	65
	Operating Expenses	6(10)(24) and 7				
6100	Sales and marketing expenses		(50,844)	(3)	(33,602)	(2)
6200	General and administrative expenses		(236,675)	(16)	(223,564)	(13)
6300	Research and development expenses		(800,144)	(54)	(893,510)	(53)
6450	Reversal of credit impairment loss(expected credit impairment loss)	12(2)	392	-	(689)	-
6000	Total operating expenses		(1,087,271)	(73)	(1,151,365)	(68)
6900	Operating Loss		(330,819)	(22)	(58,311)	(3)
	Non-operating Income and Expenses					
7100	Interest income	6(3)(4)(20)	59,584	4	10,366	1
7010	Other income	6(21)	37,644	2	40,195	2
7020	Other gains and losses	6(2)(22)	128,915	9	(12,266)	(1)
7050	Finance costs	6(9)(23) and 7	(9,639)	(1)	(21,149)	(1)
7000	Total non-operating income and expenses		216,504	14	17,146	1
7900	Loss before Income Tax		(114,315)	(8)	(41,165)	(2)
7950	Income tax expense	6(25)	(1,225)	-	(1,416)	-
8200	Net Loss		(\$ 115,540)	(8)	(\$ 42,581)	(2)
	Other Comprehensive Income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(7)	\$ 59,091	4	\$ 5,651	-
8310	Other comprehensive income that will not be reclassified to profit or loss		59,091	4	5,651	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation		220	-	(335)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(25)	-	-	19	-
8360	Other comprehensive income that will be reclassified to profit or loss		220	-	(316)	-
8300	Other Comprehensive Income		\$ 59,311	4	\$ 5,335	-
8500	Total Comprehensive Loss		(\$ 56,229)	(4)	(\$ 37,246)	(2)
	Loss per share (in dollars)	6(26)				
9750	Loss per share (in dollars)		(\$ 0.38)		(\$ 0.18)	

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

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

	Equity attributable to owners of the parent										
	Notes	Capital Reserves					Other equity interest				
		Common stock	Additional paid-in capital	Donated assets received	Employee stock options	Capital surplus, share options	Restricted stock to employees	Capital surplus, others	Accumulated deficit	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income
Year ended December 31, 2021											
Balance at January 1, 2021	\$ 2,063,751	\$ 2,737,424	\$ 2,036	\$ 13,798	\$ 8,056	\$ 52,660	\$ -	(\$ 2,930,919)	\$ 79	\$ 180	\$ 1,905,617
Loss for 2021	-	-	-	-	-	-	-	(42,581)	-	-	(42,581)
Other comprehensive income(loss)	-	-	-	-	-	-	-	-	(316)	5,651	5,335
Total comprehensive income(loss)	-	-	-	-	-	-	-	(42,581)	(316)	5,651	(37,246)
Issuance of shares	900,000	7,329,736	-	-	-	-	-	-	-	-	8,229,736
Cash capital increase reserved for employee preemption	6(15)	-	-	-	-	-	-	-	-	-	88,335
Compensation costs of employee stock options	6(15)	-	-	29,935	-	-	-	-	-	-	29,935
Employee stock options exercised	6(15)(16)	3,865	-	(1,775)	-	-	-	-	-	-	11,579
Issuance of employee restricted stocks	6(15)(16)	9,525	-	-	-	67,567	-	-	-	(77,092)	-
Redemption of employee restricted stock	6(15)(16)	(4,253)	-	-	-	4,253	-	-	-	-	-
Compensation costs of employee restricted stocks	6(15)	-	-	-	-	-	-	-	-	-	35,400
Restricted stocks vested	-	9,552	-	-	-	(9,552)	-	-	-	-	-
Conversion of convertible bonds	6(12)(16)	30,957	-	-	(4,589)	-	-	-	-	-	165,395
Balance at December 31, 2021	\$ 3,003,845	\$ 10,313,563	\$ 2,036	\$ 41,958	\$ 3,467	\$ 114,928	\$ -	(\$ 2,973,500)	(\$ 237)	\$ 5,831	\$ 10,428,751
Year ended December 31, 2022											
Balance at January 1, 2022	\$ 3,003,845	\$ 10,313,563	\$ 2,036	\$ 41,958	\$ 3,467	\$ 114,928	\$ -	(\$ 2,973,500)	(\$ 237)	\$ 5,831	\$ 10,428,751
Loss for 2022	-	-	-	-	-	-	-	(115,540)	-	-	(115,540)
Other comprehensive income(loss)	6(7)	-	-	-	-	-	-	-	220	59,091	59,311
Total comprehensive income(loss)	-	-	-	-	-	-	(115,540)	(115,540)	220	59,091	(56,229)
Capital surplus used to offset accumulated deficits	6(18)	-	(2,971,464)	(2,036)	-	-	-	2,973,500	-	-	-
Compensation costs of employee stock options	6(15)	-	-	61,651	-	-	871	-	-	-	62,522
Employee stock options exercised	6(15)(16)	10,523	-	(8,320)	-	-	-	-	-	-	28,670
Issuance of employee restricted stocks	6(15)(16)	6,318	-	-	-	47,318	-	-	-	(53,636)	-
Redemption of employee restricted stock	6(15)(16)	(2,260)	-	-	-	2,260	-	-	-	-	-
Compensation costs of employee restricted stocks	6(15)	-	-	-	-	-	-	-	-	-	92,790
Restricted stocks vested	-	59,358	-	-	-	(59,358)	-	-	-	-	-
Conversion of convertible bonds	6(12)(16)	24,932	-	-	(3,462)	-	-	-	-	-	126,374
Pay off convertible bonds	-	104,904	-	-	-	-	-	-	-	-	-
Balance at December 31, 2022	\$ 3,043,358	\$ 7,532,828	\$ -	\$ 95,289	\$ -	\$ 105,148	\$ 876	(\$ 115,540)	(\$ 17)	\$ 64,922	\$ 10,682,878

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

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

		Year ended December 31	
	Notes	2022	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Loss before tax		(\$ 114,315)	(\$ 41,165)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(8)(9)(24)	189,100	168,692
Amortization expense	6(10)(24)	16,184	16,304
Net profit on financial assets or liabilities at fair value	6(2)(22)	(2,863)	(1,937)
Interest expense	6(23)	9,639	21,149
Interest income	6(20)	(59,584)	(10,366)
Share-based payments	6(15)(24)	155,312	153,670
Loss on redemption of convertible bonds	6(22)	3	-
Reversal of credit impairment loss(expected credit impairment loss)	12(2)	(392)	689
Loss on lease modification	6(9)(22)	709	-
Changes in operating assets and liabilities			
Changes in operating assets			
Current contract assets		(63,802)	(37,559)
Notes receivable, net		1,139	19,913
Accounts receivable, net		46,084	(6,631)
Accounts receivable, net-related parties		546	546
Other receivables		(13,790)	(2,887)
Inventories		(324,025)	(252,780)
Prepayments		(17,394)	(21,468)
Other current assets		1,555	(1,026)
Changes in operating liabilities			
Contract liabilities		(93,551)	(29,776)
Accounts payable		48,151	45,295
Other payables		33,854	(37,664)
Other payables - related parties		2,037	1,626
Other current liabilities, others		(1,818)	(3,662)
Cash outflow generated from operations		(187,221)	(20,129)
Interest received		55,231	9,549
Interest paid		(9,316)	(18,498)
Income tax refund		-	77
Income tax paid		(6,212)	(898)
Net cash flows used in operating activities		(147,518)	(29,899)

(Continued)

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

		Year ended December 31	
	Notes	2022	2021
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortised cost		(\$ 1,032,516)	(\$ 1,522,782)
Proceeds from disposal of financial assets at amortised cost		1,636,640	-
Acquisition of property, plant and equipment	6(27)	(345,792)	(166,692)
Acquisition of intangible assets	6(10)	(8,652)	(3,017)
Decrease (increase) in refundable deposits(shown as other non-current assets, others)		(778)	958
Decrease in other financial assets		27,334	3,266
Acquisition of financial assets at fair value through other comprehensive income	6(7)	(208,627)	-
Acquisition of financial assets at fair value through profit or loss	6(2) and 7	(58,390)	-
Increase in other non-current assets		(465,269)	(68,453)
Increase in prepayments for investments		(20,000)	-
Net cash flows used in investing activities		(476,050)	(1,756,720)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Repayments of bonds	6(12)(28)	(200)	-
Proceeds from long-term borrowings	6(28)	120,460	37,160
Repayments of long-term borrowings	6(28)	-	(755,174)
Increase in guarantee deposits received(shown as other non-current liabilities)	6(28)	294	-
Repayments of lease principal	6(9)(28)	(24,435)	(19,570)
Issuance of common stocks		-	8,229,736
Employee stock options exercised		28,669	11,579
Net cash flows from financing activities		124,788	7,503,731
Effect of exchange rate		281	(74)
Net (decrease) increase in cash and cash equivalents		(498,499)	5,717,038
Cash and cash equivalents at beginning of year		6,625,384	908,346
Cash and cash equivalents at end of year		\$ 6,126,885	\$ 6,625,384

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

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of EirGenix Inc.

Opinion

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

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

Basis for opinion

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

Key audit matters

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

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

Accuracy of service revenue and authorisation and cooperative development revenue

Description

Refer to Note 4(26) for accounting policy on service revenue and authorisation and cooperative development revenue recognition, Note 5(2) for significant accounting estimates and assumptions, and Note 6(20) for details of operating revenue. The amount of service revenue and authorisation and cooperative development revenue for the year ended December 31, 2022 were NTD 757,680 thousand and NTD 261,876 thousand, respectively.

The Company's service revenue and authorisation and cooperative development revenue primarily arise from offering biopharmaceutical contract development and manufacturing services and authorising intellectual property rights of medicine development to pharmaceutical factory. Revenue is recognised based on the stage of completion at the balance sheet date provided that such transaction amounts can be reliably estimated. Since the information process, recording and maintenance are partially performed manually and the recognition of service revenue and authorisation and cooperative development revenue contains a high degree of uncertainty resulting in a complex calculation process, and revenue recognition is significant to the financial statements, we considered the accuracy of service revenue recognition a key audit matter.

How our audit addressed the matter

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

1. Obtained management's accounting policies on the service revenue and authorisation and cooperative development revenue recognition and confirmed that they are reasonable.
2. Selected samples and examined the contract in order to confirm whether the judgement made by the management was in line with the contract and generally accepted accounting principles..
3. For the performance obligation which was satisfied over time, selected samples and examined each data of contract costs and assessed whether the method and parameters used to measure the completion of performance obligation are reasonable.
4. Recalculated the accuracy of amount recognised as revenue and respective timing of recognition.

Impairment assessment of property, plant and equipment

Description

Refer to Note 4(17) for accounting policy on impairment of non-financial assets, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to property, plant and equipment and Note 6(9) for description of property, plant and equipment.

On December 31, 2022, property, plant and equipment amounted to NTD 2,607,958 thousand, which were constructed to extend the production capacity of GMP. The Company assesses at each balance sheet date the fair value or recoverable value of those assets whether there is any indication that they may be impaired based on internal and external information. Since the impairment indication assessment and information and assumptions used to assess recoverable amount of assets have significant impact to property, plant and equipment, we considered impairment assessment of property, plant and equipment a key audit matter.

How our audit addressed the matter

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

1. Reviewed and assessed the reasonableness of each data in the impairment assessment.
2. Assessed the estimation procedure of future cash flows, and checked whether the cash flows listed in the assessment is consistent with operating plans.
3. Interviewed management to discuss the Company's operations and reviewed the actual performance of prior years' operating plans in order to understand the Company's intention and ability and ascertained whether there was any significant postponement on research and development.
4. Assessed the reasonableness of the significant assumptions adopted in estimating cash flows.

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

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

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

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

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

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

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

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

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

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

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

Teng, Sheng-Wei

Yen, Yu-Fang

For and on behalf of PricewaterhouseCoopers, Taiwan

March 10, 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 independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

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

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

Assets		Notes	December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 6,108,994	52	\$ 6,619,427	58
1110	Current financial assets at fair value through profit or loss	6(2)	-	-	891	-
1136	Current financial assets at amortised cost	6(3)	1,000,000	9	1,636,640	14
1140	Current contract assets	6(20) and 7	234,399	2	170,597	1
1150	Notes receivable, net	6(4)	-	-	1,139	-
1170	Accounts receivable, net	6(4)	32,782	-	78,474	1
1180	Accounts receivable, net-related parties	7	-	-	546	-
1200	Other receivables		24,944	-	6,818	-
1220	Current income tax assets		5,963	-	1,128	-
130X	Inventories	6(5)	739,463	6	413,712	4
1410	Prepayments	6(6)	122,502	1	105,783	1
1476	Other current financial assets	6(1) and 8	-	-	27,334	-
1479	Other current assets, others		-	-	1,555	-
11XX	Total current assets		8,269,047	70	9,064,044	79
Non-current assets						
1510	Non-current financial assets at fair value through profit or loss	6(2) and 7	61,420	1	-	-
1517	Non-current financial assets at fair value through other comprehensive income	6(7)	279,325	2	11,607	-
1535	Non-current financial assets at amortised cost	6(3) and 8	41,123	-	8,588	-
1550	Investments accounted for using equity method	6(8)	5,200	-	3,289	-
1600	Property, plant and equipment, net	6(9), 7 and 8	2,607,958	22	1,885,858	17
1755	Right-of-use assets	6(10) and 7	325,330	3	296,973	3
1780	Intangible assets	6(11)	28,067	-	19,553	-
1990	Other non-current assets, others	6(9) and 8	214,887	2	146,065	1
15XX	Total non-current assets		3,563,310	30	2,371,933	21
1XXX	Total assets		\$ 11,832,357	100	\$ 11,435,977	100

(Continued)

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

Liabilities and Equity		Notes	December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2130	Current contract liabilities	6(20) and 7	\$ 150,475	2	\$ 223,967	2
2170	Accounts payable		134,607	1	86,456	1
2200	Other payables	6(12)	384,682	3	226,655	2
2220	Other payables - related parties	7	16,397	-	10,796	-
2280	Current lease liabilities	7	26,826	-	18,454	-
2320	Long-term liabilities, current portion	6(13)(14) and 8	-	-	127,070	1
2399	Other current liabilities, others		3,106	-	4,922	-
21XX	Total current liabilities		716,093	6	698,320	6
Non-current liabilities						
2527	Non-current contract liabilities	6(20)	-	-	20,059	-
2540	Long-term borrowings	6(14) and 8	120,460	1	-	-
2570	Deferred tax liabilities	6(26)	874	-	536	-
2580	Non-current lease liabilities	7	311,758	3	288,311	3
2600	Other non-current liabilities, others		294	-	-	-
25XX	Total non-current liabilities		433,386	4	308,906	3
2XXX	Total liabilities		1,149,479	10	1,007,226	9
Equity						
	Capital	6(17)				
3110	Common stock		3,043,358	26	3,003,845	26
	Capital reserve	6(18)				
3200	Capital surplus		7,734,141	65	10,475,952	92
	Accumulated deficit	6(19)				
3350	Accumulated deficit		(115,540) (1) (2,973,500) (26)
	Other equity interest					
3400	Other equity interest		20,919	- (77,546) (1)
3XXX	Total equity		10,682,878	90	10,428,751	91
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	Total liabilities and equity		\$ 11,832,357	100	\$ 11,435,977	100

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

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

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

		Year ended December 31					
		2022		2021			
Items	Notes	AMOUNT	%	AMOUNT	%		
4000 Operating Revenue	6(20) and 7	\$ 1,481,017	100	\$ 1,697,359	100		
5000 Operating Costs	6(5)(11)(25) and 7	(724,565)	(49)	(604,305)	(35)		
5900 Gross Profit		756,452	51	1,093,054	65		
Operating Expenses	6(11)(25) and 7						
6100 Sales and marketing expenses		(51,130)	(4)	(34,034)	(2)		
6200 General and administrative expenses		(236,675)	(16)	(223,564)	(13)		
6300 Research and development expenses		(802,439)	(54)	(895,285)	(53)		
6450 Reversal of credit impairment loss(expected credit impairment loss)	12(2)	392	-	(689)	-		
6000 Total operating expenses		(1,089,852)	(74)	(1,153,572)	(68)		
6900 Operating Loss		(333,400)	(23)	(60,518)	(3)		
Non-operating Income and Expenses							
7100 Interest income	6(3)(4)(21)	59,584	4	10,366	1		
7010 Other income	6(22)	37,644	3	40,195	2		
7020 Other gains and losses	6(2)(23)	128,915	9	(12,266)	(1)		
7050 Finance costs	6(10)(24) and 7	(9,635)	(1)	(21,116)	(1)		
7070 Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(8)	1,690	-	947	-		
7000 Total non-operating income and expenses		218,198	15	18,126	1		
7900 Loss before Income Tax		(115,202)	(8)	(42,392)	(2)		
7950 Income tax expense	6(26)	(338)	-	(189)	-		
8200 Net Loss		(\$ 115,540)	(8)	(\$ 42,581)	(2)		
Other Comprehensive Income							
Components of other comprehensive income that will not be reclassified to profit or loss							
8316 Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(7)	\$ 59,091	4	\$ 5,651	-		
8310 Other comprehensive income that will not be reclassified to profit or loss		59,091	4	5,651	-		
Components of other comprehensive income that will be reclassified to profit or loss							
8361 Exchange differences on translation		220	-	(335)	-		
8399 Income tax relating to components of other comprehensive income that will be reclassified to profit or loss	6(26)	-	-	19	-		
8360 Other comprehensive income that will be reclassified to profit or loss		220	-	(316)	-		
8300 Other Comprehensive Income		\$ 59,311	4	\$ 5,335	-		
8500 Total Comprehensive Loss		(\$ 56,229)	(4)	(\$ 37,246)	(2)		
Loss per share (in dollars)	6(27)						
9750 Loss per share (in dollars)		(\$ 0.38)		(\$ 0.18)			

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

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

	Capital Reserves								Other equity interest						
	Notes	Common stock	Additional paid-in capital	Donated assets received	Employee stock options	Capital surplus, share options	Restricted stock to employees	Capital surplus, others	Accumulated deficit	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income		Unearned compensation	Total equity	
Year ended December 31, 2021															
Balance at January 1, 2021		\$ 2,063,751	\$ 2,737,424	\$ 2,036	\$ 13,798	\$ 8,056	\$ 52,660	\$ -	\$ 2,930,919	\$ 79	\$ 180	\$ 41,448	\$ 1,905,617		
Loss for 2021		-	-	-	-	-	-	-	(42,581)	-	-	-	(42,581)		
Other comprehensive income (loss)	6(7)	-	-	-	-	-	-	-	-	(316)	5,651	-	5,335		
Total comprehensive income (loss)		-	-	-	-	-	-	-	(42,581)	(316)	5,651	-	(37,246)		
Issuance of shares	6(17)	900,000	7,329,736	-	-	-	-	-	-	-	-	-	8,229,736		
Cash capital increase reserved for employee preemption	6(16)	-	88,335	-	-	-	-	-	-	-	-	-	88,335		
Compensation costs of employee stock options	6(16)	-	-	-	29,935	-	-	-	-	-	-	-	29,935		
Employee stock options exercised	6(16)(17)	3,865	9,489	-	(1,775)	-	-	-	-	-	-	-	11,579		
Issuance of employee restricted stocks	6(16)(17)	9,525	-	-	-	-	67,567	-	-	-	-	(77,092)	-		
Redemption of employee restricted stock	6(16)(17)	(4,253)	-	-	-	-	4,253	-	-	-	-	-	-		
Compensation costs of employee restricted stocks	6(16)	-	-	-	-	-	-	-	-	-	-	-	35,400		
Restricted stocks vested		-	9,552	-	-	-	(9,552)	-	-	-	-	-	-		
Conversion of convertible bonds	6(13)(17)	30,957	139,027	-	-	(4,589)	-	-	-	-	-	-	165,395		
Balance at December 31, 2021		\$ 3,003,845	\$ 10,313,563	\$ 2,036	\$ 41,958	\$ 3,467	\$ 114,928	\$ -	\$ 2,973,500	\$ 237	\$ 5,831	\$ 83,140	\$ 10,428,751		
Year ended December 31, 2022															
Balance at January 1, 2022		\$ 3,003,845	\$ 10,313,563	\$ 2,036	\$ 41,958	\$ 3,467	\$ 114,928	\$ -	\$ 2,973,500	\$ 237	\$ 5,831	\$ 83,140	\$ 10,428,751		
Loss for 2022		-	-	-	-	-	-	-	(115,540)	-	-	-	(115,540)		
Other comprehensive income (loss)	6(7)	-	-	-	-	-	-	-	-	220	59,091	-	59,311		
Total comprehensive income (loss)		-	-	-	-	-	-	-	(115,540)	220	59,091	-	(56,229)		
Capital surplus used to offset accumulated deficits	6(17)	-	(2,971,464)	(2,036)	-	-	-	-	2,973,500	-	-	-	-		
Compensation costs of employee stock options	6(16)	-	-	-	61,651	-	-	871	-	-	-	-	62,522		
Employee stock options exercised	6(16)(17)	10,523	26,467	-	(8,320)	-	-	-	-	-	-	-	28,670		
Issuance of employee restricted stocks	6(16)(17)	6,318	-	-	-	-	47,318	-	-	-	-	(53,636)	-		
Redemption of employee restricted stock	6(16)(17)	(2,260)	-	-	-	-	2,260	-	-	-	-	-	-		
Compensation costs of employee restricted stocks	6(16)	-	-	-	-	-	-	-	-	-	-	-	92,790		
Restricted stocks vested		-	59,358	-	-	-	(59,358)	-	-	-	-	-	-		
Conversion of convertible bonds	6(13)(17)	24,932	104,904	-	-	(3,462)	-	-	-	-	-	-	126,374		
Pay off convertible bonds		-	-	-	-	(5)	-	5	-	-	-	-	-		
Balance at December 31, 2022		\$ 3,043,358	\$ 7,532,828	\$ -	\$ 95,289	\$ -	\$ 105,148	\$ 876	\$ 115,540	\$ 17	\$ 64,922	\$ 43,986	\$ 10,682,878		

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

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

		Year ended December 31	
	Notes	2022	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Loss before tax		(\$ 115,202)	(\$ 42,392)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(9)(10)(25)	187,987	166,572
Amortization expense	6(11)(25)	16,184	16,304
Net profit on financial assets or liabilities at fair value	6(2)(23)	(2,863)	(1,937)
Interest expense	6(24)	9,635	21,116
Interest income	6(21)	(59,584)	(10,366)
Share-based payments	6(16)(25)	155,312	153,670
Loss on redemption of convertible bonds	6(23)	3	-
Share of loss of subsidiaries associates and joint ventures accounted for using equity method	6(8)	(1,690)	(947)
Reversal of credit impairment loss(expected credit impairment loss)	12(2)	(392)	689
Loss on lease modification	6(10)(23)	709	-
Changes in operating assets and liabilities			
Changes in operating assets			
Current contract assets		(63,802)	(37,559)
Notes receivable, net		1,139	19,913
Accounts receivable, net		46,084	(6,631)
Accounts receivable,net-related parties		546	(546)
Other receivables		(13,793)	(2,887)
Inventories		(324,025)	(252,780)
Prepayments		(16,719)	(21,654)
Other current assets		1,555	(1,026)
Changes in operating liabilities			
Contract liabilities		(93,551)	(29,776)
Accounts payable		48,151	45,295
Other payables		19,212	(42,174)
Other payables - related parties		5,601	4,142
Other current liabilities, others		(1,816)	(3,662)
Cash outflow generated from operations		(201,319)	(26,636)
Interest received		55,232	9,549
Interest paid		(9,314)	(18,464)
Income tax refund		-	77
Income tax paid		(4,835)	(898)
Net cash flows used in operating activities		(160,236)	(36,372)

(Continued)

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

		Year ended December 31	
	Notes	2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at amortised cost		(\$ 1,032,516)	(\$ 1,522,782)
Proceeds from disposal of financial assets at amortised cost		1,636,640	-
Acquisition of property, plant and equipment	6(28)	(345,548)	(165,927)
Acquisition of intangible assets	6(11)	(8,652)	(3,017)
Decrease(increase) in refundable deposits(shown as other non-current assets, others)		(778)	958
Decrease in other financial assets		27,334	3,266
Acquisition of financial assets at fair value through other comprehensive income	6(7)	(208,627)	-
Acquisition of financial assets at fair value through profit or loss	6(2) and 7	(58,390)	-
Increase in other non-current assets		(465,226)	(68,222)
Increase in prepayments for investments		(20,000)	-
Net cash flows used in investing activities		(475,763)	(1,755,724)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of bonds	6(13)(29)	(200)	-
Proceeds from long-term borrowings	6(29)	120,460	37,160
Repayments of long-term borrowings	6(29)	-	(755,174)
Increase in guarantee deposits received(shown as other non-current liabilities)	6(29)	294	-
Repayments of lease principal	6(10)(29)	(23,657)	(17,734)
Issuance of common stocks		-	8,229,736
Employee stock options exercised		28,669	11,579
Net cash flows from financing activities		125,566	7,505,567
Net (decrease) increase in cash and cash equivalents		(510,433)	5,713,471
Cash and cash equivalents at beginning of year		6,619,427	905,956
Cash and cash equivalents at end of year		\$ 6,108,994	\$ 6,619,427

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

Attachment VIII**2022 Deficit Offset Statement**

	In NTD
Undistributed Earnings in the beginning of the year	-
2022 Net loss after tax	(115,539,539)
Capital Surplus-Others	876,144
Capital Surplus-Additional Paid-In Capital	144,663,395
Deficit to be offset at the end of the year	-

Chairman: Lee-Cheng Liu Officer: Lee-Cheng Liu Head of the Accounting Dept.: Hsiu-Chuan Yang

Attachment IX

Comparison Table for the Company's Articles of Incorporation

After the Revision	Before the Revision	Explanation
<p>Article 6</p> <p>The Company has a total capital amounting to four billion New Taiwan Dollars, divided into four hundred million shares at ten New Taiwan Dollars par value per share, issued in installments. The Board of Directors is authorized to issue the unissued shares in installments, from which <u>twenty</u> twelve million shares shall be reserved for issuance upon the exercise of any stock options, preferred shares with warrants, or equity warrant bonds.</p>	<p>Article 6</p> <p>The Company has a total capital amounting to four billion New Taiwan Dollars, divided into four hundred million shares at ten New Taiwan Dollars par value per share, issued in installments. The Board of Directors is authorized to issue the unissued shares in installments, from which twelve million shares shall be reserved for issuance upon the exercise of any stock options, preferred shares with warrants, or equity warrant bonds.</p>	<p>The revisions to this Article are proposed in accordance with Company Act and EirGenix's operation planning.</p>
<p>Article 6-1</p> <p>(Omitted)</p> <p>When the <u>The</u> Company lists on the Taipei Exchange or Taiwan Stock Exchange, to transfer shares to employees at less than the average actual share repurchase price, a company must have obtained the consent of at least two-thirds of the voting rights present at the most recent shareholders meeting attended by shareholders representing a majority of total issued shares.</p>	<p>Article 6-1</p> <p>(Omitted)</p> <p>When the Company lists on the Taipei Exchange or Taiwan Stock Exchange, to transfer shares to employees at less than the average actual share repurchase price, a company must have obtained the consent of at least two-thirds of the voting rights present at the most recent shareholders meeting attended by shareholders representing a majority of total issued shares.</p>	
<p>Article 25</p> <p>Suppose the Company has net profit in this fiscal year. In that case, the Company shall set aside between 1% to 5% of its profits as a bonus to the Company's employees and set aside 3% (inclusive) or less of its</p>	<p>Article 25</p> <p>Suppose the Company has net profit in this fiscal year. In that case, the Company shall set aside between 1% to 5% of its profits as a bonus to the Company's employees and set aside 3% (inclusive) or less</p>	

After the Revision	Before the Revision	Explanation
<p>profits as a bonus to Directors. The distribution of bonus to employees may be made by way of cash or shares by the resolution of the Board of Directors. The employees may include certain employees of the subsidiaries who meet the conditions prescribed by the Company. Over two-thirds shall hear the distribution of employee remuneration and director remuneration of the Board of Directors, be voted in favor for implementation by over one-half of the directors present and represented and be reported at the shareholders' meeting.</p> <p>(Omitted)</p> <p>Qualification requirements of employees for distributing employees to compensation, issuing restricted stock for employees, issuing employee stock option certificates, issuing new shares, and the shares bought back by the issuing company transferred to its employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements, entitled to receive compensation by the Board of Directors.</p>	<p>of its profits as a bonus to Directors. The distribution of bonus to employees may be made by way of cash or shares by the resolution of the Board of Directors. The employees may include certain employees of the subsidiaries who meet the conditions prescribed by the Company. Over two-thirds shall hear the distribution of employee remuneration and director remuneration of the Board of Directors, be voted in favor for implementation by over one-half of the directors present and represented and be reported at the shareholders' meeting.</p> <p>(Omitted)</p> <p>Qualification requirements of employees for distributing employees to compensation, issuing restricted stock for employees, issuing employee stock option certificates, issuing new shares, and the shares bought back by the issuing company transferred to its employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements, entitled to receive compensation by the Board of Directors.</p>	
<p>Article 25-1</p> <p>Suppose the Company has earnings at the end of the fiscal year. In that case, the Company shall first pay all relevant taxes, offset its losses</p>	<p>Article 25-1</p> <p>Suppose the Company has earnings at the end of the fiscal year. In that case, the Company shall first pay all relevant taxes,</p>	

After the Revision	Before the Revision	Explanation
<p>in previous years, and set aside a legal capital reserve at 10% of the net profit until the accumulated legal capital reserve has equaled the paid-in total capital of the Company; then set aside a special capital reserve in accordance with relevant laws or regulations or as requested by the authorities in charge. The board of directors may propose the distribution for approval in the shareholders' meeting.</p> <p>(Omitted)</p>	<p>offset its losses in previous years, and set aside a legal capital reserve at 10% of the net profit until the accumulated legal capital reserve has equaled the total capital of the Company; then set aside a special capital reserve in accordance with relevant laws or regulations or as requested by the authorities in charge. The board of directors may propose the distribution for approval in the shareholders' meeting.</p> <p>(Omitted)</p>	
<p>Article 27:</p> <p>The Procedure was enacted on December 20th, 2012.</p> <p>The 1st amendment was made on March 14th, 2013.</p> <p>The 2nd amendment was made on June 14th, 2013.</p> <p>The 3rd amendment was made on July 24th, 2013.</p> <p>The 4th amendment was made on June 20th, 2014.</p> <p>The 5th amendment was made on June 23rd, 2015.</p> <p>The 6th amendment was made on June 3rd, 2016.</p> <p>The 7th amendment was made on September 13th, 2016.</p> <p>The 8th amendment was made on June 12th, 2018.</p> <p>The 9th amendment was made on March 21st, 2019.</p> <p>The 10th amendment was made on June 12th, 2019.</p> <p>The 11th amendment was made on</p>	<p>Article 27:</p> <p>The Procedure was enacted on December 20th, 2012.</p> <p>The 1st amendment was made on March 14th, 2013.</p> <p>The 2nd amendment was made on June 14th, 2013.</p> <p>The 3rd amendment was made on July 24th, 2013.</p> <p>The 4th amendment was made on June 20th, 2014.</p> <p>The 5th amendment was made on June 23rd, 2015.</p> <p>The 6th amendment was made on June 3rd, 2016.</p> <p>The 7th amendment was made on September 13th, 2016.</p> <p>The 8th amendment was made on June 12th, 2018.</p> <p>The 9th amendment was made on March 21st, 2019.</p> <p>The 10th amendment was made on June 12th, 2019.</p> <p>The 11th amendment was made on</p>	<p>Add the date of amendments.</p>

After the Revision	Before the Revision	Explanation
<p>November 27th, 2019.</p> <p>The 12th amendment was made on August 3rd, 2021.</p> <p>The 13th amendment was made on June 10th, 2022.</p> <p><u>The 14th amendment was made on May 31st, 2023.</u></p>	<p>November 27th, 2019.</p> <p>The 12th amendment was made on August 3rd, 2021.</p> <p>The 13th amendment was made on June 10th, 2022.</p>	

Attachment X

**Release the Prohibition on Directors or Representatives of Directors from
Participation in Competitive Business**

Name of Director/ Representative		Other Position
Chairman	Lee-Cheng Liu	Industry Consultant, Forward BioT Venture Capital.
Director	Formosa Laboratories, Inc. Representative: Cheng-Yu Cheng	Consultant, Forward BioT Venture Capital.
Director	Foxconn Technology Co., Ltd. Representative: Chun Fu Lu	<ul style="list-style-type: none"> - Chairman, Precision Healthcare Co., Ltd. - Director, Hon Fujin Precision Industry (Taiyuan) Co., Ltd. - Director, Hon Fujin Precision Industry (Jincheng) Co., Ltd. - Director, Sotera Wireless, Inc. - Director, Zap Medical System Ltd. - Director, FTC Japan Co., Ltd.
Director	Foxconn Technology Co., Ltd. Representative: Yu-Ting Chen	<ul style="list-style-type: none"> - Senior Investment Manager, GTM Management Co., Ltd. - Director, Retain Biotech Corp. - Director, YongLin Healthcare Foundation - Director, YL Capital Ltd.