

stock code : 4168



GlycoNex Inc.

**2024 Annual General Shareholders’
Meeting Handbook**

Meeting Time : Friday, June 14, 2024 at 9:00 am

**Meeting place : 8th Floor, No. 97, Section 1, Xintai 5th Road,
Xizhi District, New Taipei City
(The Company’s conference room)**

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GlycoNex Incorporation

Procedure for the 2024 Annual Meeting of Shareholders

1. Announce Meeting
2. Chairperson Remarks
3. Reporting matters
4. Recognition matters
5. Election matters
6. Other Proposals
7. Extemporaneous Motions
8. Adjournment

GlycoNex Incorporation

Agenda for the 2024 Annual Meeting of Shareholders

Time: Tuesday, June 14, 2024, 9:00 a.m.

Venue: 8F., No. 97, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City (Company meeting room)

Type: physical

1. Announce Meeting (Report total number of shares attended)
2. Chairperson Remarks
3. Reporting matters
 - (1) 2023 Business Report
 - (2) Audit Committee's review of the 2023 annual final accounting ledgers and statements.
 - (3) Reports on the Implementation of Sound Business Plans
4. Recognition matters
 - (1) 2023 Business Report and Financial Statements.
 - (2) 2023 Deficit Compensation.
 - (3) The company is handling the 2019-year cash capital increase, issuance of new shares and the second domestic guaranteed conversion of corporate bonds, and plans to carry out a plan change case.
5. Election matters
 - (1) The election of the tenth session of directors of the company.
6. Other Proposals
 - (1) Lifting the non-competition restrictions on the company's new directors and their representatives.
7. Extemporaneous Motions
8. Adjournment

III. Reporting matters

- Item 1: Proposed by the Board of Directors
Summary : 2023 Business Report
Description : Please refer to Attachment 1 on page 7–8 for the 2023 Annual Business Report.
- Item 2: Proposed by the Board of Directors
Summary: Audit Committee's review of the 2023 annual final accounting ledgers and statements
Description: Please refer to Attachment 2 on page 9 for the Audit Committee Report.
- Item 3: Proposed by the Board of Directors
Summary: Reports on the Implementation of Sound Business Plans
Description: 1. In accordance with Letter No. Financial-Supervisory-Securities-Corporate-1060023919 (on the issuance of restricted stock for employees) issued on June 27, 2017, Letter No. FSSC-1080332870 (on the issuance of ordinary shares for cash) issued on October 31, 2019, Letter No. FSSC-10803328701 (on the second issuance of domestic secured convertible bonds) issued on October 31, 2019, Letter No. FSSC-1110342115 (on the issuance of ordinary shares for cash) issued on May 31, 2022, and Letter No. FSSC-11103421151 (on the third issuance of domestic secured convertible bonds) issued on May 31, 2022 by the Financial Supervisory Commission, the Company is required to submit quarterly reports on the implementation of sound business plans to the Board of Directors for monitoring and disclose such reports at the Annual Shareholders Meeting.
2. Please refer to Attachment 3 on page 10–11 for the Reports on the Implementation of Sound Business Plans for 2023 and the first quarter of 2024.

IV. Recognition matters

- Item 1: Proposed by the Board of Directors
Summary : 2023 Business Report and Financial Statements
Description : 1. The Company's 2023 Annual Business Report, Standalone Financial Statements and Consolidated Financial Statements have been duly approved by the Audit Committee and resolved by the Board of Directors. The Standalone and Consolidated Financial Statements were audited and issued an unqualified opinion by Mr. Teng, Sheng-Wei and Mr. Yu-Fang Yen of PricewaterhouseCoopers Taiwan.

2. Please refer to Attachment 1 on page 7–8 and Attachment 4 on page 12–32 for the aforementioned Business Report, Auditor’s Report and Financial Statements.
3. Proposed for ratification.

Resolution:

Item 2: Proposed by the Board of Directors

Summary : 2023 Deficit Compensation

- Description :
1. The Company’s after-tax loss in 2023 is NT\$178,361,712. After adding Retained Earnings Adjustments of NT\$ 250,691, the aggregate accumulated deficit is NT\$178,111,021. The Company proposes to offset the deficit with additional paid-in capital in accordance with Article 239 of the Corporate Law.
 2. The 2023 Deficit Compensation Proposal has been duly approved by the Audit Committee and resolved by the Board of Directors. Please refer to Attachment 5 on page 33 for the Statement of Deficit Compensation.
 3. Proposed for ratification.

Resolution:

Item 3: Proposed by the Board of Directors

Summary : The company is handling the 2019-year cash capital increase, issuance of new shares and the second domestic guaranteed conversion of corporate bonds, and plans to carry out a plan change case

- Description :
1. On September 16, 2019, the company's board of directors decided to handle the 2019 cash capital increase, the issuance of new shares and the second domestic guaranteed conversion of corporate bonds. The funds raised were NT\$400,000 thousand , which was originally expected to be used for the research and development expenditure of GNX102.
 2. Due to the impact of the global novel coronavirus epidemic, various expenses during the clinical trial process have increased. After completing the first phase of clinical trials, the company will start to develop GNX102 for ADC tumor suppression therapy, so the company plans to change the original plan. For the purpose of funds, NT\$321,219 thousand will be used for research and development expenditures to implement GNX102 and NT\$78,781 thousand will be used to enrich working capital.
 3. After the company carries out the above-mentioned plan changes, please refer to Appendix 6 on page 34~38 of this manual for relevant descriptions of planned projects, application progress and expected benefits.

4. As the first clinical phase of this project has spent an amount of 256,944 thousand yuan as of the third quarter of 2023, it has exceeded the original estimated funding required for the first clinical phase of 179,695 thousand yuan, and the excess amount is about to reach the original plan to raise funds. 20% of the capital of 406,135 thousand yuan, so it is necessary to contact the original lead underwriter to issue an evaluation opinion. For the lead underwriter's evaluation opinion, please refer to Appendix 7 on page 39~44 of this manual.
5. Proposed for ratification.

Resolution:

V. Election matters

- | | |
|---------------|--|
| Item 1: | Proposed by the Board of Directors |
| Summary : | The election of the tenth session of directors of the company |
| Description : | <ol style="list-style-type: none"> 1. The term of the ninth term of directors of the company will expire on July 8, 2024, and it is planned to be fully re-elected at the 2024 regular meeting of shareholders. 2. This ordinary meeting of shareholders elected 7 directors for the 10th term, including 3 independent directors. In accordance with Article 18 of the company's articles of association, a candidate nomination system was adopted. Shareholders selected them from the list of candidates and could be re-elected; new appointments Directors and independent directors will take office from the date of election for a term of three years, from June 14, 2024 to June 13, 2027. 3. The candidates for directors and independent directors have been approved by the board of directors resolution on March 14, 2024. For information on relevant academic qualifications, experience and number of shares held, please refer to Appendix 8 on pages 45~47 of this manual. 4. This election will be held in accordance with the company's "Director Election Methods", please refer to Appendix 3 on pages 64~65 of this manual. 5. Call for election. |

Resolution:

VI. Other Proposals

- | | |
|---------------|---|
| Item 1: | Proposed by the Board of Directors |
| Summary : | Lifting the non-competition restrictions on the company's new directors and their representatives. |
| Description : | <ol style="list-style-type: none"> 1. According to the provisions of Article 209 of the Company Law, if a director commits an act within the scope of the company's business for |

himself or others, he must explain the important content of his act to the shareholders' meeting and obtain its permission.

2. The circumstances under which the tenth director concurrently holds positions in other companies are as follows. Without prejudice to the interests of the company, it is proposed to submit to the shareholders' regular meeting for approval to lift the non-competition restrictions on the director from the date he takes office.

Category	Name	Hold other company positions concurrently
Independent Director	Ling-Chun Tsai	Alcor Micro, Corp Vice Chairman and CEO Qunfeng Investment Co., Ltd. Legal representative chairman SYNCOMM TECHNOLOGY CORP. Legal Representative Vice Chairman Qunsheng Technology (Shenzhen) Co., Ltd. Legal Representative director AlgoITek, Inc. Legal Representative Director StarRiver Semiconductor Corp. Legal Representative Director EGIS VISION INC. Supervisor Huaqi Venture Capital (Co., Ltd.) Legal Representative Superviso Hongzhan Venture Capital Co., Ltd. Legal Representative Director Puxunjiu Venture Capital (Co., Ltd.) Legal Representative Director WK Technology Fund IX II Ltd. Legal Representative Director KooData Inc. Legal Representative Director Alcor Micro Technology, Inc. Director Alcor Micro Technology (HK) Ltd. Director
Independent Director	Kuang-Yang Hsu	Anxo Pharmaceutical Co., Ltd. Independent Director Pharmadax Inc. Independent Director Kenda Pharmaceutical Co., Ltd. Director

3. Proposed for discussion.

Resolution:

VII. Extemporary Motions

VIII. Adjournment

GlycoNex Incorporation

2023 Annual Business Report

1. Operating Strategy

GlycoNex Incorporation. continue to focus on the development of new monoclonal antibody drugs, and introduce pro-antibody (Pro-antibody) and antibody-drug conjugate (Antibody-drug conjugate, ADC) to improve drug specificity and effectiveness, and have also established biosimilar drug development The platform uses relatively low-risk biosimilar drugs to reduce the company's risk of investing in new drug development, and has established a complete and diversified business map:

1. Using GlycoNex's rich GlycoSHTM anti-sugar antibody library, we apply precursor antibody (Pro-antibody) and antibody-drug conjugate (ADC) technologies to develop the latest type of targeted antibody drugs.
2. Developed biosimilar drugs with high market potential and successfully signed an international cooperation project, introducing mid-term business investment.
3. Complete pre-clinical trials of new drug development and strictly evaluate risk factors to improve the success rate at each stage to smoothly proceed with international licensing and become the company's long-term revenue driver.

2. Operating Results

In the fiscal year 2023, GlycoNex had a revenue of NT\$2,542 thousand and a net loss after tax of NT\$178,362 thousand. The failure to make a profit in 2023 is mainly due to the capital investment in the first phase of clinical trials of new antibody drugs and biosimilar drugs SPD, and the new drug standard GNX102 is actively negotiating authorization with global biotech pharmaceutical manufacturers. However, looking forward to 2024, the company expects to make significant progress in new drug development and international cooperation; the first phase clinical trial of GNX102 was completed this year, and the safety and efficacy are in line with expectations. In view of the fact that the ADC technology platform has become mature, and successful cases have been approved for listing one by one, proving the value of ADC, GlycoNex also launched the GNX102 ADC development project in 2023 and achieved exciting results. The biosimilar drug SPD has been jointly developed with Japan MGC for the Japanese market. In addition, the antibody drug development platform is used to introduce commissioned development cases, and new antibody development technology is simultaneously introduced on the existing platform. Important milestones in 2023 include:

- The first phase of clinical human trials of GNX102 has been completed, confirming the safety and tolerable dosage of the drug for cancer patients, and has started to develop ADC products.
- The biosimilar drug SPD is jointly developed with MGC of Japan and has completed the first phase of clinical trials.
- Completed the animal model evaluation and early stage development of the new precursor antibody GNX201, and formulated a development strategy.

- Participate in many exhibitions such as BIO in the United States and BioEurope in Europe, and continue to communicate with global manufacturers and potential international partners to seek cooperation and explore future business opportunities.
- Successfully completed two antibody development commissioned projects.

3. Implementation of operating income and expenditure budget

1. Operating income part

The operating revenue for the fiscal year 2023 consists of service revenue and other operating revenue, mainly including technical service revenue and antibody research and development commission service revenue, totaling NT\$2,542 thousand.

2. Operating Expenses

The total operating costs and expenses in 2023 are NT\$262,406 thousand, which are mainly used for research and development expenses related to new drugs and biosimilar drugs.

4. Profitability Analysis

The main source of revenue for the fiscal year 2023 was research commissions and technical services provided to domestic and foreign customers, with a total revenue of NT\$2,542 thousand and a net loss after tax of NT\$178,362 thousand.

5. Research and Development

The company has gradually moved from early-stage antibody drug development to the clinical development stage. GNX102 has started a phase I clinical trial in the United States in 2020 and successfully completed the above-mentioned phase I clinical trial in 2023. In addition to the successful completion of the first-phase drug incremental trial, the ADC development of the drug has also been started simultaneously to develop drugs with high efficacy. In addition, mature antibody drug development technology has also been used to expand the product line of biosimilar drugs to speed up the company's product development process with biosimilar drugs with lower risks. The biosimilar drug SPD8 is used for osteoporosis. It is currently being jointly developed with Mitsubishi Gas Chemical of Japan. It has successfully completed the first phase of clinical trials in Japan. It is expected to launch the third phase of clinical trials in 2024 and negotiate authorization matters with potential licensees.

In addition to GNX102 and biosimilar drugs that have entered clinical trials, Sugar Link is also actively planning the next phase of new drug development plans, constantly introducing new technologies on existing technology platforms to overcome the bottlenecks currently faced by the industry in antibody drug development, and Expand the application of antibody drugs to ADC drug development. The advantages and application value of precursor antibodies have been initially confirmed. In 2024, GlycoNex will further use VHH antibodies combined with precursor antibody technology to design and develop products with the potential to treat cancer.

Chairman
Tong-Hsuan Chang

Manager
Mei-Chun Yang

Accounting Supervisor
Ti-Fen Wu

GlycoNex Incorporation

Audit Committee Report

Having reviewed the Company's 2023 Business Report, Standalone and Independent Financial Statements, and Proposal for Deficit Compensation submitted by the Board of Directors, among which the Standalone and Independent Financial Statements were audited and issued an unqualified opinion by Mr. Sheng-Wei Teng Yu and Mr. Yu-Fang Yen of PricewaterhouseCoopers Taiwan, the Audit Committee has found no discrepancies or inconsistencies in the aforementioned statements. This report is hereby issued in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please review.

To:

GlycoNex Incorporation 2024 Annual Shareholders' Meeting

Audit Committee Chairman: Ling-Jun Cai

March 14 2024

Report on the Implementation of Sound Business Plans Budget Execution Review

1. Issued in accordance with Letter No. Financial-Supervisory-Securities- Corporate-1060023919 issued on June 27 2017 and Letter No. FSSC-1080332870 and Letter No. FSSC-10803328701 issued on October 31, 2019 and Letter No. FSSC-1110342115 and Letter No. FSSC-11103421151 issued on May 31, 2022 by the Financial Supervisory Commission.

2. The variance between the Company's forecast and actual financial figures in 2023 is as follows:

Unit: Thousand NT\$

Item/Quarter	2022 Q1-Q4 (Forecast)(A)	2022 Q1-Q4 (Actual)(B)	Variance	Execution Rate (B/A)
Operating Revenue	75,288	2,542	72,746	3.38%
Operating Costs	(33,966)	(1,547)	(32,419)	4.56%
Gross Operating Profit (Loss)	41,322	995	40,327	2.41%
Operating Expenses	(539,019)	(261,174)	(277,845)	48.45%
Net Operating Profit (Loss)	(497,697)	(260,179)	(237,518)	52.28%
Non-Operating Revenue and Expenses	20,000	97,046	77,046	485.23%
Net Profit (Loss) Before Tax	(477,697)	(163,133)	(314,564)	34.15%

On the variance between the forecast and actual financial figures in 2023 Q1-Q4:

Technical service revenue in the first to fourth quarters of 2023 was lower than expected, and the operating gross profit for this period was also lower than the original budget. This was because the revenue for this period was not as expected; operating expenses were lower due to changes in the preparation filling mode of biosimilar drugs, etc. The progress is slightly behind, the payment of R&D expenses is delayed, the operating expenses are lower than the budget, and the non-operating income and expenses are higher than the budget. This is because the interest rate is higher than the estimated interest rate and the profit from the disposal of real estate in the second quarter, resulting in a pre-tax loss for the current period. Net loss was lower than budget.

Report on the Implementation of Sound Business Plans Budget Execution Review

1. Issued in accordance with Letter No. Financial-Supervisory-Securities- Corporate-1060023919 issued on June 27 2017 and Letter No. FSSC-1080332870 and Letter No. FSSC-10803328701 issued on October 31, 2019 and Letter No. FSSC-1110342115 and Letter No. FSSC-11103421151 issued on May 31, 2022 by the Financial Supervisory Commission.

2. The variance between the Company's forecast and actual financial figures in 2024 is as follows:

Unit: Thousand NT\$

Item/Quarter	2024 Q1 (Forecast)(A)	2024 Q1 (Actual)(B)	Variance	Execution Rate (B/A)
Operating Revenue	60,300	9,238	51,062	15.32%
Operating Costs	(5,508)	(3,615)	(1,893)	65.63%
Gross Operating Profit (Loss)	54,792	5,623	49,169	10.26%
Operating Expenses	(54,473)	(82,943)	(28,470)	152.26%
Net Operating Profit (Loss)	319	(77,320)	(77,639)	(24,238.24)%
Non-Operating Revenue and Expenses	5,000	4,615	385	92.30%
Net Profit (Loss) Before Tax	5,319	(72,705)	(78,024)	(1,366.89)%

On the variance between the forecast and actual financial figures in 2024 Q1:

Technical service revenue in Q1 of 2020 was lower than expected, and the operating gross profit for this period was also lower than the original budget. This was because the revenue for this period was not as good as expected; operating expenses were due to the upcoming end of the first phase clinical trial of GNX102 and the change of formulation of biosimilar drugs. Although the filling mode and other progress are slightly behind, manufacturers have all requested funds this quarter, and operating expenses are higher than budgeted; non-operating income and expenses are lower than budgeted due to higher exchange losses recognized this quarter; in summary, the current tax rate The previous net loss was higher than budgeted.

會計師查核報告(個體)

GlycoNex Incorporation
Statement of Deficit Compensation
2023

Unit : NT\$

Item	
Unappropriated Accumulated Deficit	0
2023 Adjustment for Retained Earnings*	250,691
2023 Net Loss	<u>(178,361,712)</u>
Aggregated Accumulated Deficit	<u><u>(178,111,021)</u></u>
Compensation of Deficit	
Add: Additional Paid-in Capital	178,111,021
Accumulated Deficit at the End of 2023	<u><u>0</u></u>

* It is the adjustment amount for pension liabilities due to actuarial reports in 2023.

The second domestic guaranteed conversion of corporate bonds

Description of plan changes

On September 16, 2019, the company's board of directors decided to handle the second domestic guaranteed conversion of corporate bonds. Due to the impact of the new coronavirus epidemic and the corresponding adjustments to the content and progress of the experimental plan, the company planned to change the original plan. The purpose of funds is as follows:

1、Plan contents before change

(1) Total funds required for this project: NT\$406,135 thousand.

(2) Sources of funds

1. The cash capital increase will result in the issuance of 5,000 new shares, with a par value of NT\$100 per share and an issuance price of NT\$20 per share. It is expected to raise funds of NT\$100,000 thousand.
2. Issued 3,000 domestic second-time guaranteed conversion corporate bonds, each with a face value of NT\$100 thousand, issued at par, with an issuance period of three years and a coupon rate of 0%. It is expected to raise funds of NT\$300,000 thousand.
3. Own capital of NT\$6,135 thousand.

(3) Planned projects and scheduled fund utilization progress

Unit : NT\$ thousand

Project	Estimated completion date	Total funds required	Estimated fund utilization progress								
			2019	2020				2021			
			Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
R & D spendingG NX102	2021 Q4	406,135	36,880	44,262	38,226	42,581	33,896	51,005	54,703	52,252	52,330
total		406,135	36,880	44,262	38,226	42,581	33,896	51,005	54,703	52,252	52,330

(4) Estimated possible benefits

The company's current fund-raising plan is expected to spend an amount of NT\$406,135 thousand. on research and development for the implementation of GNX102. The research and development plan includes test fees for pre-clinical, first- and second-phase clinical trials and the purchase of research and experimental drugs. In addition to the required R&D expenditures such as drug fees, the company has passed the pre-clinical trial review (IND) of GNX102 in September 2019 and is expected to enter the first phase of clinical trials of GNX102 in 2019. After the R&D period enters the clinical trial stage, it will be To increase the commercial value of GNX102, the company expects to complete international authorization during the second phase of clinical trials in 2021, and is expected to receive a signing fee of approximately NT\$994,528 thousand. for the second phase of clinical trial authorization in the fourth quarter of 2021. It will help increase the company's revenue and profits.

2、Reasons for handle plan changes

(1) R&D expenses increase

Affected by the global novel coronavirus epidemic, administrative expenses have increased due to delays in case acceptance. At the same time, the plan adjustments to immediately respond to dosing and sampling during clinical trials have also increased patient expenditures at clinical hospitals. Administrative expenses and related testing expenses of clinical research institutions, so plan changes are planned to reflect the above-mentioned increase in expenses.

(2) R&D project adjustments

Antibody drug complex (ADC) is a new target drug for cancer treatment in recent years. It is composed of two functional components: antibody + chemical drug. It can accurately attack cancer cells and avoid harming normal cells. In the past five years, an average of one to two new ADC drugs have been approved for marketing every year, and their indications have also expanded to many types of malignant tumors for which current treatment effects are still quite limited. The assessment report points out that the global ADC drug market size can significantly grow from US\$10 billion in 2023 to US\$25 billion in 2032, indicating that ADCs have a very optimistic prospect in cancer treatment. GNX102, a new antibody drug developed by GlycoLink, can specifically identify abnormal sugar molecules in a variety of cancer cells and can be used as an excellent target for ADC development. Therefore, after multiple evaluations, it was decided to start development after completing the first phase of human clinical trials of GNX102. GNX102 is used in ADC tumor suppression therapy.

3 、 Plan content after changes

For the above reasons, the comparison between the content of the proposed change plan and the content of the original plan is detailed as follows:

(1) The total amount of funds required for this project is NT\$400,000 thousand.

(2) Sources of funds

1. The cash capital increase will result in the issuance of 5,000 new shares, with a par value of NT\$10 per share and an issuance price of NT\$20 per share. It is expected to raise funds of NT\$100,000 thousand.
2. Issued 3,000 domestic second-time guaranteed conversion corporate bonds, each with a face value of NT\$100 thousand, issued at par, with an issuance period of three years and a coupon rate of 0%. It is expected to raise funds of NT\$300,000 thousand.

(3) Planned projects and scheduled fund utilization progress

Unit : NT\$ thousand

Unit: RMB thousand

Project	Estimated completion date	Total funds required	Estimated fund utilization progress												
			2019	2020				2021				2022			
			Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
preclinical trials	2020 Q1	18,519	9,081	9,438	-	-	-	-	-	-	-	-	-	-	-
Clinical trial phase 1	2024 Q1	284,436	2,281	25,913	14,581	12,487	15,838	15,191	14,096	15,102	17,383	16,982	21,026	27,117	17,358
Clinical trial phase 2	2023 Q3	18,264	-	-	-	-	-	-	-	-	-	-	-	-	3,451
Enrich working capital	2024 Q1	78,781	-	-	-	-	-	-	-	-	-	-	-	-	-
total		400,000	11,362	35,351	14,581	12,487	15,838	15,191	14,096	15,102	17,383	16,982	21,026	27,117	20,809

Project	Estimated completion date	Total funds required	Estimated fund utilization progress				
			2023				2024
			Q1	Q2	Q3	Q4	Q1
preclinical trials	2020 Q1	18,519	-	-	-	-	-
Clinical trial phase 1	2024 Q1	284,436	15,747	13,820	12,022	13,397	14,095
Clinical trial phase 2	2023 Q3	18,264	7,367	2,978	4,468	-	-
Enrich working capital	2024 Q1	78,781	-	-	-	31,512	47,269
total		400,000	23,114	16,798	16,490	44,909	61,364

(4) Estimated possible benefits

The company's current fund-raising plan is expected to spend an amount of R&D expenditures of NT\$321,219 thousand to implement GNX102. The R&D plan includes test fees for pre-clinical, first- and second-phase clinical trials and the purchase of research and experimental drugs. In terms of R&D expenditures such as required drug fees, the company has passed the pre-clinical trial review (IND) of GNX102 in September 2019 and entered the first phase of clinical trials of GNX102 in the fourth quarter of 2019. After the R&D period enters the clinical trial stage, It will increase the commercial value of GNX102. The company expects to complete the first phase of clinical trials in the first quarter of 2024 and start developing GNX102 for ADC tumor suppression therapy, which will help the company's future revenue and profits. of improvement. In addition, the company raised NT\$78,781 thousand this time to enrich its working capital and meet its daily working capital needs. In addition to giving the company more abundant working capital to respond to changes in the external environment, refer to the Bank of Taiwan's benchmark interest rate of 3.119% (2023 October), it is expected to save approximately NT\$2,457 thousand in interest expenses each year.

In addition, an additional RMB 78,781 thousand was added to enrich working capital to improve the company's financial structure and enhance the flexibility of capital allocation. Overall, the company's cash capital increase in 2019, the issuance of new shares and the change in the plan for the second domestic guaranteed conversion of corporate bonds will have specific and positive benefits to the company's operations and should not affect shareholders' rights.

GlycoNex Inc.

The second domestic guaranteed conversion
corporate bond change plan

Evaluation opinions of the sponsoring underwriter

Host underwriter : Taishin Securities Co., Limited

November 17, 2023

GlycoNex Inc. (Hereinafter referred to as "the Company") On September 16, 2019, the board of directors resolved to handle the issuance of the second domestic guaranteed conversion corporate bonds, Subsequent adjustments due to the impact of the new coronavirus epidemic and the content and progress of the clinical trial plan, and to use funds more effectively, Therefore, the company plans to change the funds utilization schedule of the original plan, The relevant content is as follows :

I. Plan contents before change

1 、 The total amount of funds required for this project : NT\$406,135 thousand.

2 、 Sources of funds

(1) Cash capital increase issuance new shares of 5,000 thousand shares, Par value per share NT\$10, The issuance price per share is NT\$20, Estimated funds raised are NT\$100 million.

(2) Issued 3,000 domestic second-time guaranteed conversion corporate bonds, Each denomination is NT\$100 thousand, Issued at face value. Issuance period three years, Coupon interest rate 0%, Estimated funds raised are NT\$300 million.

(3) Own capital of NT\$6,135 thousand.

3 、 Planned projects and scheduled fund utilization progress

Unit: NT\$ thousand

Project	Estimated completion date	Total funds required	Estimated fund utilization progress								
			2019			2020			2021		
			Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
R & D spending GNX102	2021 Q4	406,135	36,880	44,262	38,226	42,581	33,896	51,005	54,703	52,252	52,330
Total		406,135	36,880	44,262	38,226	42,581	33,896	51,005	54,703	52,252	52,330

Source : The company provides.

4 、 Estimated possible benefits

The company's current fund-raising plan is expected to spend NT\$406,135 thousand on R&D expenditures for the implementation of GNX102, The content of the R&D plan includes R&D expenditures such as trial fees for pre-clinical, first- and second-phase clinical trials, and drug fees for purchasing research trial drugs. The company has passed GNX102 preclinical trial review (IND) in September 2019, It is expected to enter the first phase of clinical trials of GNX102 in the fourth quarter of 2019, After the research and development process enters the clinical trial stage, Will increase the commercial value of GNX102, The company expects to complete international authorization during the second phase of clinical trials in 2021, It is expected to receive a second phase clinical trial authorization signing fee of approximately 994,528 thousand in the fourth quarter of 2021, Will help increase the company's revenue and profits °

II. Plan content after changes

1、The total amount of funds required for this project：NT\$400,000 thousand.

2、Sources of funds

- (1) Cash capital increase issuance new shares of 5,000 thousand shares, Par value per share NT\$10, The issuance price per share is NT\$20, Estimated funds raised are NT\$100 million.
- (2) Issued 3,000 domestic second-time guaranteed conversion corporate bonds, Each denomination is NT\$100 thousand, Issued at face value. Issuance period three years, Coupon interest rate 0%, Estimated funds raised are NT\$300 million.

3 、Planned projects and scheduled fund utilization progress

Unit: NT\$ thousand

Project	Estimated completion date	Total funds required	Estimated fund utilization progress												
			2019	2020				2021				2022			
			Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
preclinical trials	2020 Q1	18,519	9,081	9,438	-	-	-	-	-	-	-	-	-	-	-
Clinical trial phase 1	2024 Q1	284,436	2,281	25,913	14,581	12,487	15,838	15,191	14,096	15,102	17,383	16,982	21,026	27,117	17,358
Clinical trial phase 2	2023 Q3	18,264	-	-	-	-	-	-	-	-	-	-	-	-	3,451
Enrich working capital	2024 Q1	78,781	-	-	-	-	-	-	-	-	-	-	-	-	-
Total		400,000	11,362	35,351	14,581	12,487	15,838	15,191	14,096	15,102	17,383	16,982	21,026	27,117	20,809

Project	Estimated completion date	Total funds required	Estimated fund utilization progress				
			2023				2024
			Q1	Q2	Q3	Q4	Q1
preclinical trials	2020 Q1	18,519	-	-	-	-	-
Clinical trial phase 1	2024 Q1	284,436	15,747	13,820	12,022	13,397	14,095
Clinical trial phase 2	2023 Q3	18,264	7,367	2,978	4,468	-	-
Enrich working capital	2024 Q1	78,781	-	-	-	31,512	47,269
Total		400,000	23,114	16,798	16,490	44,909	61,364

Source : The company provides.

4、Estimated possible benefits

The company's current fundraising plan is expected to spend NT\$321,219 thousand on research and development for the implementation of GNX102. The content of the R&D plan includes R&D expenditures such as trial fees for pre-clinical, first- and second-phase clinical trials, and drug fees for purchasing research trial drugs. The company has passed GNX102 preclinical trial review (IND) in September 2019, Entered the first phase of clinical trials of GNX102 in the fourth quarter of 2019. After the research and development process enters the clinical trial stage, Will increase the commercial value of GNX102. The company expects to complete the Phase 1 clinical trial phase in the first quarter of 2024, And began to develop GNX102 for tumor suppression therapy of ADC. Will help increase the company's future revenue and profits. In addition, the company raised 78,781 thousand yuan this time to supplement its working capital, To meet daily working capital needs. In addition to providing the company with more abundant working capital to respond to changes in the external environment, Refer to the Bank of Taiwan's benchmark interest rate of 3.119% (October 2023), It is also expected to save approximately NT\$2,457 thousand in interest expenses each year. In general, The company's cash capital increase in 2019, the issuance of new shares and the change of the domestic second guaranteed conversion of corporate bonds plan have specific and positive benefits to the company's operations, Should not affect shareholders' rights and interests.

III. Reasonableness of the reason for the change

1、R&D expenses increase

Affected by the global novel coronavirus epidemic, Increase in sales and management expenses due to delays in closing cases, At the same time, it provides immediate response to plan adjustments for dosing and sampling during clinical trials, It also increases patient expenditures at clinical hospitals, administrative costs at clinical research institutions, and related testing costs, Therefore, it is planned to make changes to the plan to reflect the above increase in costs.

2、R&D project adjustments

Antibody drug complexes (ADCs) are new target drugs for cancer treatment in recent year, It is composed of two functional components: antibody + chemical drug, Can accurately attack cancer cells and avoid damaging normal cells. In the past five years, an average of one to two new ADC drugs have been approved for marketing each year, The indications have also been extended to many types of malignant tumors for which current treatment effects are still quite limited. The evaluation report states, In 2032, the global ADC drug market will grow significantly from US\$10 billion in 2023 to US\$25 billion, It shows that ADC has a very optimistic prospect in cancer treatment. GNX102, a new antibody drug developed by GlycoNex, can specifically identify abnormal sugar molecules in a variety of cancer cells, Can be used as an excellent target for ADC development, Therefore, after multiple evaluations, Decision will be made upon completion of Phase I human clinical trials of GNX102, Start developing GNX102 as a tumor suppressor therapy for ADC applications.

IV. The reasonableness of the expected benefits after the change

Interviews with the company's management, The company's current fundraising plan is expected to spend NT\$321,219 thousand on research and development for the implementation of GNX102. The content of the R&D plan includes R&D expenditures such as trial fees for pre-clinical, first- and second-phase clinical trials, and drug fees for purchasing research trial drugs. The company has passed GNX102 preclinical trial review (IND) in September 2019, Entered the first phase of clinical trials of GNX102 in the fourth quarter of 2019. After the research and development process enters the clinical trial stage, Will increase the commercial value of GNX102. The company expects to complete the Phase 1 clinical trial phase in the first quarter of 2024, And began to develop GNX102 for tumor suppression therapy of ADC, Will

help increase the company's future revenue and profits. In addition, the company raised 78,781 thousand yuan this time to supplement its working capital, To meet daily working capital needs, In addition to providing the company with more abundant working capital to respond to changes in the external environment, Refer to the Bank of Taiwan's benchmark interest rate of 3.119% (October 2023), It is also expected to save approximately NT\$2,457 thousand in interest expenses each year.

V. Assessment conclusion

In summary, The company is affected by the global novel coronavirus epidemic, Delay in case closing leads to increase in management and sales expenses, At the same time, it provides immediate response to plan adjustments for dosing and sampling during clinical trials, It also increases patient expenditures in clinical hospitals, administrative costs of clinical research institutions and related testing costs, as well as additional drug research and development costs, Antibody drug complexes (ADCs) are new target drugs for cancer treatment in recent years, Can accurately attack cancer cells and avoid damaging normal cells, The market size also continues to grow, To enhance the company's operating value, The company decided to complete a Phase 1 human clinical trial of GNX102 after, Start developing GNX102 as a tumor suppressor therapy for ADC applications, In addition, the company's 78,781 thousand raised this time will be used to enrich working capital, To meet daily working capital needs, In addition to providing the company with more abundant working capital to respond to changes in the external environment, It is also expected to save interest expenses every year. To sum up, Therefore, it is planned to change the capital utilization plan of the second domestic guaranteed conversion corporate bonds, Concrete and positive contribution to the company's operations, Should not affect shareholders' rights and interests.

GlycoNex Incorporation

List of Directors and Independent Director Candidates

Job title	Name	Educational qualifications	Experience	Current position	Number of shares held
Directors	Tong-Hsuan Chang	University of Tokyo, Japan Doctor of Pharmacy	GlycoNex Incorporation Chairman Development Center for Biotechnology Cell Biology and Immunology Group Director/Acting CEO National Taiwan University Institute of Clinical Medicine Visiting professor and adjunct professor	GlycoNex Incorporation Chairman	4,309,092 share
Directors	TAIWAN ADVANCE BIO-PHARMACEUTICAL INC.	N/A	N/A	N/A	3,122,919 share
Directors	Hsiu-E Su	National Chung Hsing University Department of Sociology	Japan Impressionist Art Association Taipei Branch executive Secretary Post-Cubism in the Republic of China Director	China Yuanshan Painting Society Director	2,204,489 share
Directors	Mei-Chun Yang	Taipei Medical University Institute of Pharmacy PhD	Development Center for Biotechnology Associate Researcher TAIWAN ADVANCE BIO-PHARMACEUTICAL INC. R&D Department manager GlycoNex Incorporation deputy general manager	GlycoNex Incorporation President	631,029 share
Independent Director	Ling-Chun Tsai	Chinese Culture University accountancy	Alcor Micro, Corp Vice Director Alcor Micro Technology, Inc. Director Alcor Micro Technology (HK) Limited Director Huaqi Entrepreneurship (Co., Ltd.) Legal person supervisor representative	Alcor Micro, Corp Chief Operating Officer	0 share

Job title	Name	Educational qualifications	Experience	Current position	Number of shares held
			Qunsheng Technology (Shenzhen) Co., Ltd. Director Yubao Technology (Co., Ltd.) Corporate Chairman Representative Qunfeng Investment Co., Ltd. Director Puxunjiu Venture Capital (Co., Ltd.) Director KooData Inc. Director		
Independent Director	Kuang-Yang Hsu	National Kyushu University Doctor of Pharmacy	Chairman of the Department of Pharmacy and Director of the Institute of Pharmacy, Taipei Medical University Vice President and Director of the Department of Pharmacy, Taipei Medical University Hospital Dean of Taipei Medical University Member, Drug Advisory Committee, Department of Health, Executive Yuan Chairman of the Advisory Committee on Indicated Drugs and Patent Drugs of the Food and Drug Administration, Department of Health, Executive Yuan Standing member of the "Assessment Committee for Reviewing Opinions on Scientific and Technological Enterprises and Successfully Developed Products or Technologies with Marketability", Bureau of Industry, Ministry of Economic Affairs Chairman of Taiwan Pharmaceutical Association	Honorary Professor, Taipei Medical University	0 share

Job title	Name	Educational qualifications	Experience	Current position	Number of shares held
Independent Director	Johnson Lin	Johns Hopkins University Master of Public Health	Lecturer, Department of Medicine, Taipei Medical University Attending physician, Department of Hematology and Oncology, Taipei Mackay Memorial Hospital Fred Hutchinson Cancer Research Center, Organ Transplantation and Cryonics Department Researchers and Visiting Physicians	Attending physician, Department of Hematology and Oncology, Taipei Mackay Memorial Hospital	0 share

* Ms. Ling-Chun Tsai, the company's independent director candidate, has served as the company's independent director for three consecutive terms. Due to her professional background in finance and finance, she has served as a director of a number of publicly traded companies and is familiar with relevant laws and corporate governance expertise. His talent and experience have significantly benefited the company, so he will continue to be nominated as an independent director candidate this time, so that when performing his duties as an independent director, he can use his expertise to assist the company in making business decisions in compliance with the law, and effectively supervise the board of directors and provide relevant Opinion.

GlycoNex Incorporation

Articles of Incorporation

Chapter 1 General Provisions

- Article 1 The Company is incorporated under the Company Act by the name of 台灣醣聯生技醫藥股份有限公司 in the Chinese language and GlycoNex Incorporation in the English language.
- Article 2 The business scope of the Company covers the following:
1. A401020 Raising of Livestock and Poultry
 2. A401040 Livestock Service
 3. A401990 Other Livestock
 4. C801030 Precision Chemical Material Manufacturing
 5. C802041 Manufacture of Drugs and Medicines
 6. CF01011 Medical Devices Manufacturing
 7. F102170 Wholesale of Foods and Groceries
 8. F107200 Wholesale of Chemical Feedstock
 9. F108021 Wholesale of Western Pharmaceutical
 10. F113030 Wholesale of Precision Instruments
 11. F207200 Retail Sale of Chemical Feedstock
 12. F213040 Retail Sale of Precision Instruments
 13. F401010 International Trade
 14. F601010 Intellectual Property Rights
 15. I101090 Food Consulting
 16. I103060 Management Consulting
 17. I199990 Other Consulting Service
 18. JE01010 Rental and Leasing
 19. IC01010 Medicine Inspection
 20. IG01010 Biotechnology Services
 21. IG02010 Research and Development Service
 22. IZ99990 Other Industrial and Commercial Services
 23. J304010 Book Publishing
 24. ZZ99999 All business items that are not prohibited or restricted by laws and regulations, except for those subject to special approval.
- Article 3 The Company may act as an endorser or guarantor for business and investment purposes. Such acts shall be carried out in accordance with the Company's Procedures for Endorsements and Guarantees.
- Except as provided in Article 15 of the Company Act, the Company may not lend its funds to its shareholders or any other person.
- Article 4 The Company may reinvest its funds for business purposes and act as a shareholder of limited liability in other companies upon adoption of a resolution by the Board of Directors. The total amount of such investments shall not be subject to the limit of 40% of the Company's paid-in capital as provided in Article 13 of the Company Act.
- Article 5 The Company is headquartered in New Taipei City and may, where necessary, set up domestic and foreign branch offices upon approval by the Board of Directors.
- Article 6 The Company's public announcements shall be made in accordance with Article 28 of the Company Act.

Chapter 2 Shares

- Article 7 The authorized capital of the Company is NT\$ 2,000,000,000, divided into 200,000,000 shares at a par value of NT\$ 10. The Board of Directors may be authorized to issue the unissued shares on an installment basis.
- An amount of NT\$40,000,000 from the authorized capital above is reserved for the issuance of employee stock options and divided into 4,000,000 shares at a par value of NT\$10. The Board of Directors may be authorized to issue such stock options according to law.
- Article 7-1 Treasury stock purchased by the Company may be transferred to the employees of controlling or subordinate companies which meet certain requirements. Such requirements and related procedures shall be determined by the Board of Directors.
- Stock warrants of the Company may be issued to the employees of controlling or subordinate companies which meet certain requirements. Such requirements and related procedures shall be determined by the Board of Directors.
- New shares issued by the Company may be subscribed by the employees of controlling or subordinate companies which meet certain requirements. Such requirements and related procedures shall be determined by the Board of Directors.
- Restricted stock for employees issued by the Company may be subscribed by the employees of controlling or subordinate companies which meet certain requirements. Such requirements and related procedures shall be determined by the Board of Directors
- Article 8 The issuance of employee stock options with a subscription price lower than the market price must be approved by at least two-thirds of the voting rights represented at a shareholders' meeting attended by shareholders representing a majority of the total issued shares.
- The transference of employee stock options to an employee at a price lower than the average price of the shares that were bought back must be approved by at least two-thirds of the voting rights represented at the most recent shareholders' meeting attended by shareholders representing a majority of the total issued shares.
- Article 9 The conversion of the Company's status from a public company to a private company must be approved by at least two-thirds of the voting rights represented at a shareholders' meeting attended by shareholders representing a majority of the total issued shares. This Article shall not be modified as long as the Company is registered on the Emerging Stock Board or an OTC/listed company.
- Article 10 All of the Company's shares shall be inscribed shares signed or sealed by the director representing the company and duly certified by the competent authority or a certifying institution approved by such authority.
- The Company may be exempted from printing share certificates when issuing shares, but shall register its shares with a Centralized Securities Depository Enterprise. The same applies to the issuance of other marketable securities.
- Article 11 Entries in the Company's shareholders' roster shall not be altered within the period stipulated by Article 165 of the Company Act.
- Matters pertaining to the Company's shares shall be handled in compliance with the Company Act and the Regulations Governing the Administration of Shareholder Services of Public Companies established by the competent authority.

Chapter 3 Shareholders' Meetings

- Article 12 The Company's shareholders' meetings include regular shareholders' meetings and special shareholders' meetings. Regular shareholders' meetings shall be convened annually by the Board of Directors within six months after the end of each fiscal year. Special shareholders' meetings shall be convened according to law whenever deemed necessary.
- The Company's shareholders' meetings may be held through video conferencing or other methods promulgated by the Ministry of Economic Affairs.
- Article 13 The Company shall announce and notify each shareholder of the date, venue, and subject(s) of each shareholder's meeting no later than 30 days prior to the scheduled meeting date for general shareholder's meetings and no later than 15 days prior to the scheduled meeting date for special shareholders' meetings. Such notices may be given by means of electronic transmission after obtaining prior consent from the recipient.
- The notice set forth in the preceding paragraph to shareholders who own less than 1,000 registered shares may be given in the form of a public announcement.
- Article 14 Shareholders unable to attend a shareholders' meeting in person may appoint a proxy to attend the meeting on their behalf by executing by signature or seal a proxy form issued by the Company and stating therein the scope of power authorized to the proxy in accordance with Article 177 of the Company Act.
- In addition to the provision in the preceding paragraph, the appointment of a proxy for attendance by shareholders shall be handled in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies established by the competent authority.
- Article 15 Unless otherwise provided in the Company Act, each share of stock shall be entitled to 1 vote.
- Article 16 Unless otherwise provided in the Company Act, resolutions at a shareholders' meeting shall be adopted by a majority vote of the shareholders present, who represent a majority of the total number of voting shares.
- Article 17 Resolutions of shareholders' meetings shall be recorded in the meeting minutes and signed or sealed by the Chair. The minutes should include the date and place of the meeting, the name of the chair, the method of adopting resolutions, a summary of the essential points of the proceedings, and the results of the meeting. The minutes shall be distributed to all shareholders within 20 days after the meeting and retained within the Company for the duration of the Company's existence.

Chapter 4 Directors and Audit Committee

- Article 18 The Company shall have 5 to 9 directors, among which the number of independent directors shall be no less than 3 and no less than one-fifth of the total number of directors. The number of independent directors to be elected shall be pursuant to resolutions adopted by the Board of Directors. The Company's election of directors adopts a nomination system in accordance with Article 192-1 of the Company Act. Directors shall be elected from a list of nominated candidates for a 3-year term, and may be eligible for re-election.
- The Company's election of directors adopts the single-candidate cumulative voting system. The number of votes exercisable for each share shall be the same as the number of directors to be elected. The votes on each share may be either directed towards a

single candidate or distributed to several candidates. Candidates receiving a prevailing number of votes shall be elected director of the Company.

The professional qualifications, shareholding, restrictions on concurrent positions, and other matters of compliance of independent directors shall be handled in accordance with the relevant laws and regulations established by the competent authority.

The Company shall establish an audit committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee shall consist of all of the Company's independent directors, with one convener and at least one member with expertise in accounting or finance. The Audit Committee and its members shall be responsible for exercising the powers of company supervisor in accordance with the Company Act, the Securities and Exchange Act, and other applicable laws and regulations.

Article 19 The total number of the Company's registered shares owned by its directors shall be subject to the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies promulgated by the competent authority.

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

Article 20 The Board of Directors shall consist of the Company's directors, and the Chairman of the Board of Directors shall be elected by a majority vote of directors at a meeting attended by at least two-thirds of the total number of directors. A vice chairman may be elected in the same manner when necessary. The Chairman shall represent the Company externally.

Article 21 The Chairman shall be the chairperson of meetings of the Board of Directors. In cases where the Chairman is absent or cannot exercise their authority, the Acting Chairperson shall be determined in accordance with Article 208 of the Company Act. Directors may in each instance appoint another director to attend a meeting of the Board of Directors on their behalf through a written proxy with the scope of authorization stated therein. Each director may only be appointed to act on behalf of one other director.

Article 22 Directors shall be notified of the calling and reason of each meeting of the Board of Directors no later than 7 days prior to the scheduled meeting date. In emergency circumstances, however, a meeting may be called on shorter notice. Notices to call a meeting of the Board of Directors may be given in writing or by means of e-mail or fax.

Meetings of the Board of Directors may be held through video conferencing. Directors participating through video conferencing shall be deemed to have attended the meeting in person.

Article 23 Unless otherwise provided in the Company Act, meetings of the Board of Directors shall be convened by the Chairman.

Unless otherwise provided in the Company Act or the Company's Articles of Incorporation, resolutions of the Board of Directors shall be adopted by a majority vote of directors at a meeting attended by a majority of directors.

Article 24 When the number of vacancies in the Board of Directors equals or exceeds one third of the total number of directors, the Board of Directors shall, within 60 days, call a special shareholders' meeting to elect succeeding directors to fill the vacancies.

When the number of independent directors falls below the required number due to the termination of an independent director for any reason (including resignation, dismissal,

expiration of the term of office, etc.), the Company shall elect a succeeding independent director at the following shareholders' meeting; When all independent directors have been terminated, the Company shall convene a special shareholders' meeting to elect the succeeding independent directors within 60 days from the date on which the situation arose.

- Article 25 The Company may remunerate its directors for the performance of their duties regardless of whether the Company is making a profit. The remuneration of the Chairman, Vice Chairman, and the Company's directors shall be determined based on their involvement in the Company's business operation and their contributions to the Company while referring to the typical pay levels adopted by domestic and foreign peer companies of the same industry by the Remuneration Committee and approved by the Board of Directors.

Chapter 5 Managerial Personnel

- Article 26 The Company may appoint managerial personnel. The appointment, discharge, and remuneration of managerial personnel shall be made in accordance with Article 29 of the Company Act and the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange.

Chapter 6 Accounting

- Article 27 At the end of each fiscal year, the following statements and reports shall be prepared by the Board of Directors and submitted to the General Shareholders' Meeting for ratification:

1. Business report;
2. Financial statements;
3. Proposal of surplus distribution or loss appropriation.

- Article 28 When there is annual profit, the Company shall allocate no less than 5% of the profit made for employees' compensation and no more than 3% of the profit made for the remuneration of directors. However, priority shall be given to the reservation of funds to compensate accumulated losses, if any.

When distributed in the form of shares or cash, the aforementioned employees' compensation may be distributed to the employees of controlling or subordinate companies which meet certain requirements. Such requirements shall be determined by the Board of Directors.

- Article 28-1 If there is a surplus in the Company's annual accounts, after paying taxes and compensating accumulated loss, 10% of earnings shall be set aside as legal reserve, unless the Company's legal reserve has already amounted to the Company's paid-up capital. An additional amount shall be set aside or reversed as special reserve in accordance with applicable laws and regulations established by the competent authority when necessary. The remaining surplus, along with accumulated unappropriated earnings, shall be distributed after such is proposed by the Board of Directors and approved at a shareholders' meeting.

The Company may pay its distributable dividends and bonuses or legal and special reserves partially or entirely in cash if approved by a majority of directors at a meeting of the Board of Directors attended by at least two-thirds of the total number of directors. Such shall be reported at a shareholders' meeting.

The Company's business operations are currently at a stage of growth. In order to face the challenges of a highly competitive environment and accommodate the Company's

long-term budget plans to meet future capital needs, a policy of low cash dividends and additional dividends is being adopted. The profits distributed shall be no less than 10% of the distributable profit for the current fiscal year. However, if distributable profit is less than 1% of the Company's paid-in capital, the Company may resolve to transfer the entire amount to retained earnings. To meet the interests of its shareholders, when distributing profits, the cash dividends distributed shall be no less than 10% of the total cash and stock dividends distributed for the current year. However, if the amount of cash dividends per share is less than NT\$1, the entire amount may be distributed in the form of stock dividends.

Chapter 7 Supplementary Provisions

- Article 29 Matters not covered in these Articles of Incorporation shall be handled in accordance with the Company Act and other relevant laws and regulations.
- Article 30 These Articles of Incorporation were established on January 11, 2001.
The 1st amendment was made on May 21, 2003.
The 2nd amendment was made on June 25, 2004.
The 3rd amendment was made on June 24, 2005.
The 4th amendment was made on November 18, 2005.
The 5th amendment was made on June 27, 2008.
The 6th amendment was made on February 5, 2010.
The 7th amendment was made on June 15, 2011.
The 8th amendment was made on September 1, 2011.
The 9th amendment was made on May 25, 2012.
The 10th amendment was made on June 10, 2013.
The 11th amendment was made on June 25, 2014.
The 12th amendment was made on June 29, 2016.
The 13th amendment was made on June 22, 2017.
The 14th amendment was made on June 24, 2019.
The 15th amendment was made on July 9, 2021.
The 16th amendment was made on June 23, 2022.

GlycoNex Incorporation

Rules of Procedure for Shareholders' Meetings

- Article 1 In order to establish a good shareholders' meeting governance system, improve supervision functions and strengthen management functions of the Company, these rules are formulated in accordance with Article 5 of the Code of Practice for the Governance of Listed Over-the-Counter Companies for compliance.
- Article 2 The rules of procedure for the company's shareholders' meeting shall be governed by these rules, unless otherwise provided by laws (or articles of association).
- Article 3 Unless otherwise provided by law, the company's shareholders' meeting shall be convened by the board of directors.

Changes in the method of convening the company's shareholders' meeting shall be subject to resolution by the board of directors, and shall be made no later than before the notice of the shareholders' meeting is sent.

The company shall, thirty days before the regular shareholders' meeting or fifteen days before the extraordinary shareholders' meeting, submit the notice of the shareholders' meeting, the form of proxy, the reasons for each proposal including the recognition proposal, discussion proposal, election or removal of directors, etc. The explanatory information is made into an electronic file and sent to the Public Information Observatory. And twenty-one days before the regular shareholders' meeting or fifteen days before the extraordinary shareholders' meeting, the shareholders' meeting manual and meeting supplementary materials will be prepared as electronic files and sent to the public information observation station. Fifteen days before the shareholders' meeting, the proceedings manual and meeting supplementary information for the current shareholders' meeting shall be prepared for shareholders to request at any time and displayed at the company and the professional stock agency appointed by the company.

The company shall provide shareholders with the procedure manual and meeting supplementary information mentioned in the preceding paragraph in the following manner on the day of the shareholders' meeting:

1. When a physical shareholders' meeting is held, it should be distributed at the shareholders' meeting site.
2. When convening a video-assisted shareholders' meeting, it should be distributed on-site at the shareholders' meeting and transmitted to the video conference platform as an electronic file.
3. When convening a video shareholder meeting, electronic files should be sent to the video conferencing platform.

Notices and announcements shall specify the reasons for the convening; notifications may be made electronically with the consent of the counterparty.

Election or removal of directors, change of articles of association, capital reduction, application for cessation of public issuance, directors' non-competition permission, conversion of surplus into capital, capital increase from public reserves, company dissolution, merger, division, or the provisions of Paragraph 1 of Article 185 of the Company Law Matters concerning Article 26-1, Article 43-6 of the Securities and Exchange Act, Article 56-1 and Article 60-2 of the Guidelines for Issuers' Raising and Issuance of Securities shall be List and explain the main contents in the reasons for convening, and shall not make a temporary motion.

The reason for the convening of the shareholders' meeting has stated the comprehensive re-election of directors and the date of taking office. After the re-election of the shareholders' meeting is completed, the date of taking office shall not be changed by temporary motion or other means at the same meeting.

Shareholders holding more than 1% of the total number of issued shares may submit a resolution to the company's shareholders' general meeting. Only one proposal is allowed. Any proposal that contains more than one proposal will not be included in the proposal. In addition, if the proposal proposed by the shareholder falls under any of the conditions specified in Article 172-1, Paragraph 4 of the Company Law, the board of directors may not list it as a proposal. Shareholders may submit proposals to urge the company to enhance public interests or fulfill social responsibilities. The procedure shall be limited to one proposal in accordance with the relevant provisions of Article 172-1 of the Company Law. If there is more than one proposal, all proposals shall be rejected. Not included in the bill.

The company shall announce the acceptance of shareholders' proposals, written or electronic acceptance methods, acceptance locations and acceptance periods before the stock transfer closure date before the regular shareholders' meeting; the acceptance period shall not be less than ten days.

Proposals proposed by shareholders should be limited to 300 words. If the proposal exceeds 300 words, the proposal will not be included in the motion. Proposing shareholders should attend regular shareholders' meetings in person or by proxy and participate in the discussion of the motion.

The company shall notify the proposing shareholders of the handling results before the date of the shareholders' meeting notice, and list the proposals that comply with the provisions of this article in the meeting notice. For shareholder proposals that are not included in the proposal, the board of directors should explain the reasons for not being included in the shareholders' meeting.

Article 4 Shareholders may issue a power of attorney issued by the company at each shareholders' meeting, specifying the scope of authorization, and appoint a proxy to attend the shareholders' meeting.

A shareholder can issue a power of attorney, and the power of attorney is limited to one person. It should be delivered to the company five days before the shareholders' meeting. If there are duplicate power of attorneys, the one delivered first shall prevail. However, this does not apply to those who declare to revoke the previous entrustment.

After the letter of proxy is delivered to the company, shareholders who wish to attend the shareholders' meeting in person or exercise their voting rights in writing or electronically must provide a written notice of revocation to the company two days before the shareholders' meeting. The voting rights exercised by the proxy shall prevail.

After the power of attorney is delivered to the company, shareholders who wish to attend the shareholders' meeting via video conference should provide the company with a written notice of revocation of the power of attorney two days before the shareholders' meeting. If the power of attorney is revoked within the time limit, the voting rights exercised by the proxy present shall prevail.

Article 5 The location of the shareholders' meeting shall be at the company's location or a location that is convenient for shareholders to attend and suitable for the shareholders' meeting. The meeting shall not start earlier than 9 am or later than 3 pm. The location and time of the meeting shall be fully considered. Opinions of independent directors.

When the Company convenes a video conference of shareholders, it is not subject to the restriction on the venue mentioned in the preceding paragraph.

Article 6 The company shall state in the meeting notice the time and place of registration of shareholders, solicitors and entrusted agents (hereinafter referred to as shareholders), as well as other matters that should be noted.

The time for accepting shareholder registration in the preceding paragraph shall be at least 30 minutes before the start of the meeting; the registration desk shall be clearly marked, and adequate and qualified personnel shall be assigned to handle it; the video conference of the shareholders' meeting shall be at the shareholder's door 30 minutes before the start of the meeting. The video conferencing platform will accept registration, and shareholders who complete the registration will be deemed to have attended the shareholders' meeting in person.

Shareholders should attend the shareholders' meeting with their attendance certificate, attendance sign-in card or other attendance certificates. The company shall not arbitrarily add to the supporting documents for shareholders' attendance and require the provision of other supporting documents; solicitors who are soliciting power of attorney must bring their identity documents, for verification.

The company should set up a signature book for shareholders to sign in, or have shareholders present to sign in on their behalf by handing in a sign-in card. The company shall deliver the proceedings manual, annual report, attendance certificate, speech slips, voting tickets and other meeting materials to the shareholders attending the shareholders' meeting. If there is an election for directors, additional electoral votes shall be attached.

When the government or legal entity is a shareholder, the number of representatives attending the shareholders' meeting is not limited to one person. When a legal person is entrusted to attend a shareholders' meeting, only one representative may be appointed to attend.

If the shareholders' meeting is held via video conference, shareholders who wish to attend via video conference should register with the company two days before the shareholders' meeting.

If the shareholders' meeting is held by video conference, the company should upload the procedure manual, annual report and other relevant materials to the shareholders' meeting video conference platform at least thirty minutes before the meeting starts, and continue to disclose them until the end of the meeting.

Article 6-1 When a company convenes a shareholders' meeting, the following matters should be stated in the shareholders' meeting convening notice:

1. Methods for shareholders to participate in video conferences and exercise their rights.
2. The method for handling obstacles to the video conferencing platform or video participation due to natural disasters, accidents or other force majeure events shall at least include the following matters:
 - (1) The time when the meeting must be postponed or continued due to the occurrence of previous obstacles that cannot be ruled out, and the date of the meeting if it is necessary to postpone or continue the meeting.
 - (2) Shareholders who have not registered to participate in the original shareholders' meeting via video conference are not allowed to participate in the postponed or continued meeting.
 - (3) If a video-assisted shareholders' meeting cannot be continued and the total number of shares present reaches the legal quota for the shareholders' meeting

after deducting the number of shares participating in the shareholders' meeting via video, the shareholders' meeting shall continue and shareholders participating in the video-conference shall continue to hold the meeting. The number of shares attended shall be included in the total number of shares of shareholders present, and all resolutions of the shareholders' meeting will be deemed to have abstained from voting.

(4) How to deal with situations where the results of all motions have been announced but no provisional motions have been made.

3. Convene a video conference of shareholders and specify appropriate alternative measures for shareholders who would have difficulty participating via video conference.

Article 7

If the shareholders' meeting is convened by the board of directors, the chairman shall be the chairman. If the chairman takes leave or is unable to exercise his powers for any reason, the vice chairman shall act as his deputy. If there is no vice chairman or the vice chairman also takes leave or is unable to exercise his powers for any reason, the meeting shall be chaired by the chairman. If the chairman of the board of directors fails to designate an agent, the managing director or directors shall nominate one person to act as the agent.

The chairman of the preceding paragraph shall be appointed by a managing director or director who has served for more than six months and who is familiar with the company's financial and business conditions. The same applies if the chairman is the representative of a legal person director.

The shareholders' meeting convened by the board of directors should be presided over by the chairman of the board of directors in person, and should be attended by more than half of the directors and at least one representative from various functional committee members, and the attendance should be recorded in the minutes of the shareholders' meeting.

If the shareholders' meeting is convened by a convener other than the board of directors, the chairman shall be the convener. If there are two or more conveners, one person shall be elected from each other to serve.

The company may designate appointed lawyers, accountants or relevant personnel to attend the shareholders' meeting.

Article 8

The company shall record and videotape the entire shareholder registration process, meeting proceedings, and voting counting process continuously and uninterrupted from the time the shareholder registration is accepted.

The audio and video materials mentioned in the preceding paragraph shall be kept for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Law, the lawsuit shall be preserved until the lawsuit is concluded.

If the shareholders' meeting is held by video conference, the company should record and save the shareholders' registration, registration, check-in, questions, voting and company vote counting results, etc., and record and videotape the entire video conference continuously.

The company shall properly preserve the information and audio and video recordings mentioned in the preceding paragraph during its existence, and provide the audio and video recordings to those entrusted with the video conferencing business for preservation.

Article 9

Attendance at shareholders' meetings shall be calculated based on shares. The number of shares in attendance is calculated based on the signature book or signed-in card and

the number of shares registered on the video conferencing platform, plus the number of shares for which voting rights have been exercised in writing or electronically.

When the meeting time has expired, the chairman shall immediately announce the meeting and at the same time announce the number of non-voting rights and the number of shares present.

However, if shareholders representing more than half of the total number of issued shares are not present, the chairman may announce the postponement of the meeting. The number of postponements is limited to two times, and the total postponement time shall not exceed one hour. If the two postponements still do not result in the attendance of shareholders representing more than one-third of the total issued shares, the chairman shall announce the adjournment of the meeting; if the shareholders' meeting is held by video conference, the company shall also announce the adjournment of the meeting on the shareholders' video conference platform.

If the amount in the preceding paragraph is still insufficient after the second postponement and shareholders representing more than one-third of the total issued shares are present, a false resolution may be made in accordance with the provisions of Paragraph 1 of Article 175 of the Company Law and the false resolution shall be notified. Each shareholder shall convene another shareholders' meeting within one month; if the shareholders' meeting is held by video conference, shareholders who wish to attend via video conference must re-register with the company in accordance with Article 6.

Before the end of the current meeting, if the number of shares represented by the shareholders present reaches more than half of the total number of issued shares, the chairman may resubmit the false resolution to the shareholders' meeting for voting in accordance with Article 174 of the Company Law.

Article 10

If a shareholders' meeting is convened by the board of directors, its agenda shall be set by the board of directors. Relevant motions (including temporary motions and amendments to original motions) shall be voted on case by case. The meeting shall be conducted in accordance with the scheduled agenda and shall not be changed without resolution of the shareholders' meeting. Of.

If the shareholders' meeting is convened by someone other than the board of directors who has the right to convene, the provisions of the preceding paragraph shall apply *mutatis mutandis*.

Before the agenda scheduled in the first two items (including temporary motions) is concluded, the chairman shall not declare the meeting to adjourn without passing a resolution. If the chairman violates the rules of procedure and declares the meeting to be adjourned, other members of the board of directors shall promptly assist the attending shareholders in accordance with legal procedures. More than half of the voting rights of shareholders present agree to elect one person to serve as chairman and the meeting continues.

The chairman shall give full explanations and opportunities for discussion on proposals and amendments or temporary motions proposed by shareholders. When he believes that the resolution has reached a point where it can be voted on, he may announce the cessation of discussion, submit it to a vote, and arrange a sufficient time for voting.

Article 11

Before shareholders attend the meeting to speak, they must first fill in a speech slip stating the gist of the speech, shareholder account number (or attendance certificate

number) and account name, and the chairman will determine the order of their speeches.

Shareholders present who only submit remarks but do not speak will be deemed not to have spoken. If the content of the speech does not match what is recorded in the speech note, the content of the speech shall prevail.

Each shareholder may not speak more than twice on the same motion without the approval of the chairman, and each time shall not exceed five minutes. However, if a shareholder's speech violates the regulations or exceeds the scope of the topic, the chairman may stop him or her from speaking.

When shareholders are present to speak, other shareholders may not interfere with their speeches except with the consent of the chairman and the shareholder who is speaking. Violators shall be stopped by the chairman.

When a legal person shareholder appoints two or more representatives to attend the shareholders' meeting, only one person may speak on the same proposal.

After the attending shareholders speak, the chairman may respond in person or by designating relevant personnel.

If the shareholders' meeting is held by video conference, shareholders participating in the video conference may ask questions in text on the video conference platform of the shareholders' meeting after the chairman announces the opening of the meeting and before announcing the adjournment of the meeting. The number of questions for each proposal shall not exceed two times. It is limited to 200 words, and the provisions of items 1 to 5 do not apply.

Article 12 Voting at the shareholders' meeting shall be based on shares.

According to the resolution of the shareholders' meeting, the number of shares held by shareholders without voting rights shall not be included in the total number of issued shares.

Shareholders who have their own interests in matters at the meeting that may harm the interests of the company are not allowed to participate in the voting, and are not allowed to exercise their voting rights on behalf of other shareholders.

The number of shares for which voting rights cannot be exercised in the preceding paragraph shall not be included in the number of voting rights of shareholders present.

Except for trust enterprises or stock agencies approved by the securities regulatory authorities, when one person is entrusted by two or more shareholders at the same time, the voting rights of the agent shall not exceed 3% of the total voting rights of the issued shares. Voting rights will not be counted.

Article 13 Each shareholder has one voting right per share; however, this does not apply to those who are subject to restrictions or have no voting rights as listed in Paragraph 2 of Article 179 of the Company Law.

When the company convenes a shareholders' meeting, it shall exercise its voting rights electronically and may exercise its voting rights in writing; when it exercises its voting rights in writing or electronically, the method of exercise shall be stated in the notice of convening the shareholders' meeting. Shareholders who exercise their voting rights in writing or electronically are deemed to have attended the shareholders' meeting in person. However, temporary motions and amendments to the original motion at the shareholders' meeting will be deemed as abstentions, so the company should avoid proposing temporary motions and amendments to the original motion.

For those who exercise their voting rights in writing or electronically in the preceding paragraph, their expression of intention shall be delivered to the company two days before the shareholders' meeting. If there are duplicate expressions of intention, the one that is delivered first shall prevail. However, this does not apply to those who expressed their intention before the statement was withdrawn.

After a shareholder has exercised his voting rights in writing or electronically, if he wishes to attend the shareholders' meeting in person or by video conference, he should revoke his intention to exercise his voting rights in the preceding paragraph two days before the shareholders' meeting in the same manner as for the exercise of voting rights; if the revocation is overdue, Voting rights shall be exercised in writing or electronically. If the voting rights are exercised in writing or electronically and a proxy is entrusted to attend the shareholders' meeting with a power of attorney, the voting rights exercised by the entrusted proxy shall prevail.

Unless otherwise stipulated by the Company Law and the Articles of Association of the Company, voting on proposals shall be passed with the consent of more than half of the voting rights of the shareholders present. When voting, the chairman or his designee shall announce the total number of voting rights of the shareholders present, and then the shareholders shall vote. The results of shareholders' approval, disapproval and abstention shall be entered into the public information observatory on the day after the shareholders' meeting is held.

When there are amendments or substitutions to the same motion, the chairman shall determine the order of voting based on the original motion. If one of the motions has been passed, the other motions will be deemed to have been rejected and will not need to be voted on again.

The supervisors and counting personnel for voting on proposals shall be designated by the chairman, but the supervisors shall have the status of shareholders.

The counting of votes for shareholders' meetings or election proposals shall be conducted in a public place at the shareholders' meeting, and after the vote counting is completed, the voting results, including the statistical weights, shall be announced on the spot and recorded.

The company convenes a video conference of shareholders. Shareholders participating in the video conference should vote on various proposals and election proposals through the video conferencing platform after the chairman announces the meeting. The voting should be completed before the chairman announces the end of voting. Overtime Those who do so will be deemed to have abstained.

If the shareholders' meeting is held via video conference, the votes shall be counted in one go and the voting and election results shall be announced after the chairman announces the end of the voting.

When the company convenes a video-assisted shareholders' meeting, shareholders who have registered to attend the shareholders' meeting via video conference in accordance with Article 6 and wish to attend the physical shareholders' meeting in person must cancel their registration in the same manner as the registration two days before the shareholders' meeting; Those who cancel after the deadline can only attend the shareholders' meeting via videoconference.

Those who exercise their voting rights in writing or electronically, do not revoke their expression of intention, and participate in the shareholders' meeting via video conference, may no longer exercise their voting rights on the original motion, propose

amendments to the original motion, or exercise voting rights on amendments to the original motion, except for temporary motions.

Article 14 When the shareholders' meeting elects directors, it shall be conducted in accordance with the relevant election standards set by the company, and the election results shall be announced on the spot, including the list of elected directors and their election rights.

The electoral votes for the election matters mentioned in the preceding paragraph shall be sealed and signed by the scrutineers, and then properly kept for at least one year.

However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Law, the lawsuit shall be preserved until the lawsuit is concluded.

Article 15 The resolutions of the shareholders' meeting shall be recorded in minutes, signed or sealed by the chairman, and the minutes shall be distributed to all shareholders within 20 days after the meeting. The production and distribution of minutes can be done electronically.

The company may distribute the minutes of proceedings mentioned in the preceding paragraph by inputting announcements into the public information observatory.

The minutes of the meeting should be accurately recorded according to the year, month, day, venue, name of the chairman, resolution method, essentials of the proceedings and voting results (including statistical weights). When there is an election of directors, the names of each elected person should be disclosed. Number of votes. It should be kept permanently during the existence of the company.

If a shareholders' meeting is convened by video conference, in addition to the matters that should be recorded in accordance with the preceding paragraph, the minutes shall also record the start and end time of the shareholders' meeting, the method of convening the meeting, the name of the chairman and the minutes, and the records due to natural disasters, accidents or other The handling methods and situations when force majeure causes obstacles to the video conferencing platform or video participation.

When the company convenes a video conference of shareholders, in addition to complying with the provisions of the preceding paragraph, it shall also state in the minutes any alternative measures provided by shareholders who have difficulties in participating via video conference.

Article 16 Regarding the number of shares acquired by solicitors, the number of shares represented by entrusted agents, and the number of shares attended by shareholders in writing or electronically, the company shall prepare a statistical table in the prescribed format on the day of the shareholders' meeting and make it clear at the shareholders' meeting venue. disclosure; if the shareholders' meeting is held via video conference, the company shall upload the aforementioned information to the shareholders' meeting video conference platform at least thirty minutes before the start of the meeting, and continue to disclose it until the end of the meeting.

When the company holds a video conference of shareholders and announces the meeting, the total number of shares of shareholders attending should be disclosed on the video conference platform. The same applies if the total number of shares and voting rights of shareholders present are calculated during the meeting.

If the matters resolved by the shareholders' meeting are significant information stipulated by law or the Taiwan Stock Exchange Corporation (Republic of China Securities Over-the-Counter Trading Center), the company shall transmit the content to the Public Information Observation Station within the specified time.

- Article 17 The chairman may direct pickets or security personnel to help maintain order at the venue.
- If the venue is equipped with amplification equipment, the chairman may stop shareholders from speaking using equipment other than those provided by the company.
- If a shareholder violates the rules of procedure and disobeys the chairman's correction and obstructs the progress of the meeting, if he refuses to comply after being stopped, the chairman may order pickets or security personnel to ask him to leave the meeting place.
- Article 18 When the meeting is in progress, the chairman may declare a break at his discretion. When force majeure occurs, the chairman may decide to suspend the meeting temporarily and announce the continuation of the meeting according to the circumstances.
- If the agenda scheduled by the shareholders' meeting is not concluded before the proceedings (including temporary motions) are concluded, and the meeting venue cannot be used anymore, the shareholders' meeting may decide to find another venue to continue the meeting.
- The shareholders' meeting may resolve to postpone or continue the meeting within five days in accordance with Article 182 of the Company Law.
- Article 19 If the shareholders' meeting is held by video conference, the company should immediately disclose the voting results of each proposal and the election results on the shareholders' video conference platform in accordance with regulations after the voting ends.
- Article 20 When the company convenes a video shareholders' meeting, the chairman and the record-keeper should be at the same place in the country, and the chairman should announce the address of the place during the meeting.
- Article 21 A shareholders' meeting is held via video conference. If, before the chairman announces the adjournment of the meeting, due to natural disasters, accidents or other force majeure events, the video conference platform or participation in the video conference is hindered and continues for more than 30 minutes, it shall be postponed or continued within five days. The provisions of Article 182 of the Company Law shall not apply to the date of the meeting.
- If a meeting that should be postponed or continued as specified in the preceding paragraph occurs, shareholders who have not registered to participate in the original shareholders' meeting via video conference shall not participate in the postponed or continued meeting.
- If a meeting should be postponed or postponed in accordance with the provisions of Paragraph 1, shareholders who have registered to participate in the original shareholders' meeting via video conferencing and have completed registration, but who have not participated in the postponement or postponement of the meeting, their number of shares attended at the original shareholders' meeting, their exercised voting rights and The voting rights shall be included in the total number of shares, voting rights and electoral rights of shareholders present at the postponed or continued meeting.
- When the shareholders' meeting is postponed or resumed in accordance with the first provision, there is no need to re-discuss and resolve the resolutions for which the

voting and counting have been completed and the voting results or the list of elected directors and supervisors have been announced.

The company convenes a video-assisted shareholders' meeting and when the video meeting cannot be continued as specified in the first paragraph, if the total number of shares present still reaches the legal quota for the shareholders' meeting after deducting the number of shares attending the shareholders' meeting via video, the shareholders' meeting shall continue. There is no need to postpone or continue the assembly in accordance with the provisions of Paragraph 1.

In the event that the meeting as specified in the preceding paragraph occurs and the meeting should continue, shareholders who participate in the shareholders' meeting via video conference shall count the number of shares they attend as part of the total number of shares held by the shareholders present, but all resolutions of the shareholders' meeting will be deemed to have abstained from voting.

Article 22 When the company convenes a video conference of shareholders, it shall provide appropriate alternative measures for shareholders who would have difficulty attending the meeting via video conference.

Article 23 These rules shall be implemented after being approved by the shareholders' meeting, and the same shall apply when amended.

Article 24 Addition record

These Articles of Incorporation were established on June 15, 2011.

The 1st amendment was made on May 25, 2012.

The 2st amendment was made on June 17, 2020.

The 3st amendment was made on July 9, 2021.

The 4st amendment was made on June 20, 2023.

GlycoNex Incorporation

Director election method

- Article 1 In order to select directors fairly, impartially and openly, these Measures are formulated in accordance with Article 21 of the "Code of Practice for the Governance of Listed Overseas Companies".
- Article 2 The election of directors of the company shall be conducted in accordance with these regulations, unless otherwise provided by laws or articles of association.
- Article 3 The selection of directors of the company should take into consideration the overall configuration of the board of directors. The composition of the board of directors should consider diversity and formulate appropriate diversity policies based on its own operations, operating types and development needs, which should include but not be limited to the following two major standards:
1. Basic conditions and values: gender, age, nationality and culture, etc.
 2. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industrial experience, etc.
- Board members should generally possess the knowledge, skills and qualities necessary to perform their duties. Their overall abilities should be as follows:
1. Operational judgment ability.
 2. Accounting and financial analysis skills.
 3. Operation and management capabilities.
 4. Crisis handling capabilities.
 5. Industry knowledge.
 6. International market perspective.
 7. leadership skills.
 8. Decision-making capacity.
- There should be more than half of the seats among the directors, and they should not be related to spouses or relatives within the second degree.
- The company's board of directors should consider adjusting the composition of the board of directors based on the results of the performance evaluation.
- Article 4 The qualifications of the company's independent directors shall comply with the provisions of Articles 2, 3 and 4 of the "Regulations on the Establishment and Matters to be Observed of Independent Directors of Publicly Offered Companies".
- The selection of independent directors of the company shall comply with the provisions of Articles 5, 6, 7, 8 and 9 of the "Regulations on the Establishment and Matters to be Observed of Independent Directors of Publicly Offered Companies" and shall be based on the "Listing and Listing Regulations". Article 24 of the "Code of Practice on Corporate Governance".
- Article 5 The election of directors of the company shall be conducted in accordance with the candidate nomination system procedures stipulated in Article 192-1 of the Company Law.
- If directors are dismissed for any reason and there are fewer than five directors, the company shall hold a by-election at the latest shareholders' meeting. However, if the vacancy of directors reaches one-third of the number of seats specified in the articles of association, the company shall convene an extraordinary meeting of shareholders for by-election within 60 days from the date of occurrence.

If the number of independent directors is insufficient as specified in the proviso of Article 14-2, Paragraph 1 of the Securities and Exchange Act, by-elections shall be held at the latest shareholders' meeting; when all independent directors are dismissed, a by-election shall be held within 60 days from the date of occurrence of the fact. A by-election will be held at an extraordinary meeting of shareholders.

- Article 6 The election of directors of the company shall adopt a cumulative voting system. Each share has the same voting rights as the number of directors to be elected. One person may be elected centrally, or several persons shall be elected.
- Article 7 The board of directors shall prepare electoral votes equal to the number of directors to be elected, add their weights, and distribute them to shareholders attending the shareholders' meeting. The names of the electors may be replaced by the attendance certificate numbers printed on the electoral votes.
- Article 8 An electoral vote will be invalid if any of the following circumstances apply:
1.It is not necessary to have a ballot prepared by the person with the right to convene.
2.Put a blank ballot into the ballot box.
3.The handwriting is illegible or has been altered.
4.The filled-in list of electees and director candidates does not match upon verification.
5.In addition to filling in the number of allocated voting rights, other words should be included.
- Article 9 The directors of the company shall calculate the voting rights of independent directors and non-independent directors in accordance with the quota specified in the company's articles of association. Those with the greater number of electoral votes will be elected in sequence. If two or more people have the same number of votes and exceed the prescribed quota , the decision will be made by drawing lots among those with the same number of weights. For those who are not present, the chairman will draw lots on his behalf.
- Article 10 Before the election begins, the chairman shall designate a number of scrutineers and vote counters with shareholder status to perform various relevant duties. Ballot boxes are prepared by the board of directors and open for inspection by the scrutineers in public before voting.
After the voting is completed, the votes will be opened on the spot, and the results of the voting will be announced by the chairman on the spot, including the list of elected directors and their election rights.
The electoral votes for the election matters mentioned in the preceding paragraph shall be sealed and signed by the scrutineers, and then properly kept for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Law, the lawsuit shall be preserved until the lawsuit is concluded.
- Article 11 The elected directors will be issued a notice of election by the company's board of directors.
- Article 12 These measures will be submitted to the Board of Directors for approval after being reviewed by the Audit Committee, and will be implemented after being submitted to the Shareholders' Meeting for approval. The same applies to amendments.
- Article 13 Addition record :
These Articles of Incorporation were established on June 15, 2011.
The 1st amendment was made on May 25, 2012.
The 2st amendment was made on July 9, 2021.

GlycoNex Incorporation

Shareholding of Directors

1. The Company has established an audit committee in accordance with Article 14-4 of the Securities and Exchange Act. The powers of supervisor are exercised by all of its independent directors.
2. According to Article 26 of the Securities and Exchange Act and the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, if 2 or more independent directors are elected, the minimum percentage of registered shares that should be held by all directors except for independent directors shall be reduced to 80%. The minimum number of shares that should be held by all directors except for independent directors of the Company is 8,000,000 shares.
3. As of the book closure date of the 2024 Annual Shareholders' Meeting (April 16, 2024), the total number of shares issued by the Company is 108,640,133 shares. The following is the shareholding of Directors based on the Shareholders' Roster.

Title	Name	Shares Held	Shareholding Percentage
Chairman	Tong-Hsuan Chang	4,309,092	3.97%
Director	TAIWAN ADVANCE BIO-PHARMACEUTICAL INC.	2,204,489	2.03%
Director	Xiu-E Su	1,326,485	1.22%
Director	Mei-Chun Yang.	403,133	0.37%
Independent Director	Ling-Chun Tsai	0	0.00%
Independent Director	Kuang-Yang Hsu	282,691	0.26%
Independent Director	Johnson Lin	0	0.00%
Number of shares held by all directors except for independent directors		8,243,199	7.59%

4. The number of shares held by all directors except for independent directors of the Company meets the legal requirement.