



PharmaEngine, Inc.

Rules of Procedure for Board Meetings

Article 1

In order to establish a sound governance system, enhance the supervisory function, and strengthen management capabilities for the board of directors of PharmaEngine Inc. (the "Company"), in accordance with Article 2 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies, the Rules are hereby formulated for compliance.

Article 2

The Rules of Procedure for the Company's board of directors shall govern the main agenda items, operational procedures, matters to be included in the minutes, announcements, and other matters to be followed, in accordance with the provisions of the Rules.

Article 3

The board of directors of the Company shall meet once every quarter.

To convene a board meeting, a meeting notice that specifies the purposes of the meeting shall be sent to each director and supervisor 7 days in advance. However, in case of emergency, meetings may be convened at any time.

The above convening notice may be communicated through written, fax, or email notifications.

The matters listed in Article 12, Paragraph 1 of the Rules shall be included in the reasons for convening a meeting, unless there are sudden emergencies or legitimate reasons. They may not be raised as extempore motions.

Article 4

The location and time of board meetings shall be determined based on the Company's place of business and office hours or in a location and at a time that is convenient for directors to attend and suitable for conducting the board meeting.

Article 5

The board of directors of the Company shall be convened and chaired by the chairperson of the Board. However, for the first board meeting of each term, it shall be convened by the director who received the highest number of votes representing voting rights at the shareholders' meeting. The chairperson of the meeting shall be the person exercising the convening right. If there are two or more persons exercising the convening right, they shall mutually select one person to serve as the chairperson.

When the chairperson of the Board is on leave or unable to exercise authority for any reason, the chairperson shall designate a person to act as a proxy. If the chairperson of the Board has not designated a proxy, the directors shall mutually select one person to act as a proxy.



Article 6

During the board meetings of the Company, an attendance book shall be made available for sign-in by the directors in attendance and thereafter made available for reference.

Directors shall attend the board meetings in person. If a director is unable to attend in person, the director may appoint another director to attend on his or her behalf in accordance with the Company's articles of incorporation. If a director participates in the meeting via video conferencing, it shall be considered as attending in person.

When a director appoints another director to attend a board meeting on his or her behalf, the director shall issue a written proxy for each instance, specifying the scope of authorization with respect to the items on the meeting agenda.

The proxy, as stated in Paragraph 2, may only be entrusted by one person.

Article 7

The board of directors of the Company designates the Finance and Administration Department to handle the matters related to board meetings.

The unit responsible for board meetings shall prepare the agenda for board meetings and provide sufficient meeting materials, which shall be sent together with the meeting notices.

Directors may request additional materials from the unit responsible for board meetings if they consider the provided meeting materials insufficient. If directors deem the information on an agenda item insufficient, they may, with the approval of the Board of Directors, postpone the deliberation of that item.

Article 8

During the board meetings of the Company, the Finance and Administration Department shall have the relevant documents ready for attending directors to consult at any time. For board meetings, relevant personnel from departments or subsidiaries may be notified to attend as non-voting participants, depending on the content of the agenda items. If necessary, accountants, lawyers, or other professionals may also be invited to attend meetings as non-voting participants and provide explanations. However, they shall leave the meeting when deliberation and voting take place.

The chairperson of the Board shall announce the commencement of the meeting once the scheduled meeting time has arrived and a quorum, consisting of more than half of the directors, is present. If, at the scheduled meeting time, less than half of all directors are present, the chairperson needs to announce a postponement of the meeting to occur on the same day. The meeting may be postponed up to two times, and if the number of attendees is still insufficient after the second postponement, the chairperson may convene a new meeting following the procedures specified in Article 3, Paragraph 2.

The term "all directors" referred to in the preceding paragraph shall be calculated based on the actual serving directors.

Article 9

The proceedings of the board meetings of the Company shall be recorded in their entirety, either through audio or video recordings, and shall be preserved for a minimum of 5 years. The preservation of these records may be done electronically.

If, before the end of the preservation period referred to in the preceding paragraph, a lawsuit arises for a resolution of a board meeting, the relevant audio or video recordings

shall be preserved for a further period until the conclusion of the lawsuit.

In the case of meetings conducted through video conferencing, the audio and video materials shall be considered as part of the minutes and shall be properly preserved throughout the life of the Company.

Article 10

The agenda for the regular board meetings of the Company shall include, at minimum, the following items:

1. Report items:
 - (1) Minutes of the previous meeting and implementation status.
 - (2) Important financial business report.
 - (3) Internal audit business report.
 - (4) Other important report items.
2. Agenda items:
 - (1) Agenda items from the previous meeting.
 - (2) Planned agenda items for the current meeting.
3. Extempore motions.

Article 11

The board of directors of the Company shall follow the prescribed agenda and procedures as outlined in the meeting notice. However, with the consent of a majority of the attending directors, changes may be made.

The chairperson may not adjourn the meeting without the consent of a majority of the attending directors.

During the proceedings of the board meeting, if the number of directors sitting at the meeting does not constitute a majority of the attending directors, then upon motion by the directors sitting at the meeting, the chairperson shall declare a suspension of the meeting and apply the provisions of Article 8, Paragraph 4.

During the proceedings of the board meeting, if the chairperson is unable to preside over the meeting or fails to adjourn the meeting in accordance with Article 2, the selection of a proxy needs to follow Article 5, Paragraph 3.

Article 12

The following matters shall be brought up for discussion at the board meeting of the Company:

1. Corporate business plans.
2. Annual financial reports.
3. Adoption or amendment of the internal control system, in accordance with Article 14-1 of the Securities and Exchange Act (the "Act").
4. Adoption or amendment, in accordance with Article 36-1 of the Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
5. The offering, issuance, or private placement of any equity-type securities.
6. The appointment or discharge of a financial, accounting, or internal auditing officer.
7. Donations to related parties or significant donations to non-related parties. However,

donations of a charitable nature made for emergency relief due to significant natural disasters may be submitted for retroactive recognition at the next board meeting.

8. Any matter required by Article 14-3 of the Act or any other law, regulation, or articles of incorporation to be approved by resolution at a shareholders' meeting or board meeting or any significant matter prescribed by the competent authority.

The term "related party" as referred to in the preceding Subparagraph 7 shall mean related parties as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "significant donations to non-related parties" refers to donations where the amount of each donation or the cumulative amount of donations to the same recipient within one year exceeds NT\$100 million or exceeds 1% of net operating revenue or 5% of paid-in capital as stated in the financial report attested by an accountant for the most recent year.

The term "within one year" as referred to in the preceding paragraph shall mean a period of one year calculated retroactively from the date on which the current board meeting is convened, excluding any amounts that have already been submitted to and approved by the Board of Directors.

Regarding matters that require a board resolution under Article 14-3 of the Act, independent directors shall personally attend or appoint another independent director to attend on their behalf. When an independent director has an objection or reservation, it shall be noted in the minutes of the board meeting; if the independent director cannot attend the board meeting in person to voice his or her objection or reservation, he or she shall provide a written opinion before the board meeting unless there are justifiable reasons for failure to do so, and the opinion shall be noted in the minutes of the board meeting.

Article 13

When the chairperson deems that sufficient discussion has taken place on a motion and it is ready for voting, the chairperson may announce the cessation of discussion and proceed to a vote.

During a vote on a motion taken at a board meeting of the Company, if the chairperson seeks consensus from all attending directors and there are no objections, the matter shall be deemed approved. If there are objections raised after the chairperson seeks consensus, the matter shall be put to a vote.

The voting method shall be chosen by the chairperson from one of the following subparagraphs, but when there are objections from attendees, the majority opinion shall be sought to make the decision:

1. A show of hands or a vote by voting machine.
2. A roll call vote.
3. A vote by ballot.
4. A vote by a method selected at the Company's discretion.

The term "all attending directors" in Paragraph 2 does not include directors who are prohibited from exercising voting rights under Article 15, Paragraph 1.

Article 14

A resolution on a motion at a board meeting of the Company shall, unless otherwise

provided by the Act or the Company Act, require the presence of more than half of the directors and the consent of the majority of the directors present.

When there are amendments or alternative proposals for the same motion, the chairperson shall determine the voting order of such proposals along with the original motion. However, if one of the proposals has already been approved, the other proposals shall be deemed rejected and no further voting is required.

If it is necessary to appoint vote monitors and vote counters for the voting of a motion, they shall be designated by the chairperson, but the vote monitors shall be directors. The results of the vote shall be reported on the spot and recorded.

Article 15

If a director or the legal person represented by the director is an interested party concerning any matter discussed during a board meeting, the director shall state the important aspects of the interested party relationship at the meeting. When the relationship is likely to prejudice the interests of the Company, the director may not participate in discussion or voting on that matter and shall enter recusal during the discussion and voting. The director also may not act as another director's proxy to exercise voting rights on that matter.

The resolutions of the board of directors of the Company, regarding directors who are prohibited from exercising voting rights as stipulated in the preceding paragraph, shall be handled in accordance with Article 180, Paragraph 2, by applying the provisions of Article 206, Paragraph 3, of the Company Act.

Article 16

The proceedings of the Company's board meetings shall be recorded in the minutes, which shall comprehensively document the following matters:

1. The session (or year), time, and place of the meeting.
2. The name of the meeting chairperson.
3. Attendance of the directors at the meeting, including the names and the number of directors present, excused, and absent.
4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The matters reported at the meeting.
7. Agenda items: The method and results of resolutions for each motion; summary of statements made by directors, supervisors, experts, and other individuals; names of directors who are interested parties as stipulated in Paragraph 1 of the preceding article, along with explanations of the significant details of the relationship of interest, the reasons why the directors were required or not required to enter recusal, and the status of their recusal; recorded or written objections or reservations and opinions issued in writing by independent directors in accordance with Article 12, Paragraph 4.
8. Extempore motions: Name of the proposer; the method and results of resolutions for each motion; summary of statements made by directors, supervisors, experts, and other individuals; names of directors who are interested parties as stipulated in Paragraph 1 of the preceding article, along with explanations of the significant details of the relationship of interest, the reasons why the directors were required or not required to enter recusal, and the status of their recusal; and recorded or written

objections or reservations.

9. Other matters required to be recorded.

The attendance book of the Board of Directors shall be part of the minutes and shall be properly preserved throughout the life of the Company. The minutes must be signed or stamped by the meeting chairperson and the minute taker, and shall be distributed to each director and supervisor within 20 days after the meeting. They shall also be included in the important documents of the Company and be properly preserved throughout the life of the Company.

The preparation and distribution of the minutes referred to in Paragraph 1 may be done electronically.

Article 17

Except for the matters to be discussed at the board meeting of the Company as required in Article 12, Paragraph 1, the Board of Directors may authorize the chairperson of the Board to exercise certain authority as stipulated by laws, regulations or the Company's articles of incorporation. The content and items of such authorization are as follows:

1. Convening of the Board of Directors and implementation of its resolutions.
2. Formulation of the operational plan.
3. Review and adoption of regulations and contracts related to business operations.
4. Approval of property acquisition and disposal related to business operations.
5. Approval of personnel transfers related to business operations and determination of personnel quota for each department.
6. Review and approval of draft budgets, financial statements, and business reports.
7. Preparation of proposals for capital increase or decrease, distribution of earnings, or offsetting of losses.
8. Determination of the record date for capital increase or decrease, cash dividend distribution record date, rights issue or subscription record date, and approval of changes in dividend rates.

Article 18

The establishment of the Rules of Procedure shall require the approval of the Company's board of directors and shall be reported to the shareholders' meeting.

Future amendments may be authorized by the resolution of the Board of Directors.

Article 19

The Rules of Procedure were established on May 27, 2011.

The first amendment was made on March 26, 2013.

The second amendment was made on March 22, 2018.

The third amendment was made on November 2, 2020.

The fourth amendment was made on October 27, 2022.

The fifth amendment was made on February 29, 2024.