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**TAIWAN LIPOSOME COMPANY LIMITED.**  
**2015 ANNUAL SHAREHOLDERS' MEETING**  
**MINUTES**  
**(Translation)**

Time : 9 a.m. June 23, 2015 (Tue.)

Location: : 2F., No.19-10, Sanchong Rd.,Nangang District, Taipei City 115(2F Meeting Center, Building A, Nangang Software Park)

Total outstanding TLC shares : 55,521,343 shares

Total shares represented by shareholders present in person or by proxy : 40,805,858 shares

Percentage of shares held by shareholders present in person or by proxy : 73.49%

Directors present(4) : Keelung Hong, Ke-Yi Liu, May Kang, Chang Xing Investment Company- Chan Lee

Supervisors present (1) : Chin-Fen Huang

Others(2) : Deng Shen Wei (C.P.A., PricewaterhouseCoopers LLP.), Jacqueline Fu (Attorney, K&L Gates LLP.)

Chairman : Keelung Hong

Recording Secretary : Nicole Lin

Calling the meeting to order : Report on the number of shares represented by shareholders attending the Meeting in accordance with Company Law §174.

Chairman Remarks: skipped

## **1. Reports**

### **No. 1: 2014 Business Report**

Explanation:

1. The accumulated deficit of the Company to be offset in the year ended December 31, 2014 is NT \$638,725,788, an amount representing half of the Company's paid-in capital.
2. 2014 Business Report can be found on page 7 of this Handbook under Schedule 1.

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**No. 2:** 2014 Supervisor’s Review Report

Explanation:

2014 Supervisor’s Review Report can be found on page 10 of this Handbook under Schedule 2.

**No. 3:** Adoption of “Corporate Social Responsibility Best Practice Principles” of the Company

Explanation:

1. In order to exercise corporate governance, develop environmental sustainability, support social welfare, and strengthen corporate social responsibility and the disclosure of information, the Company plans to adopt the “Corporate Social Responsibility Best Practice Principles” to serve as guidelines for relevant personnel.
2. The Corporate Social Responsibility Best Practice Principles can be found on page 13 of this Handbook under Schedule 3.

## **2. Ratifications**

**No. 1:** Ratification of 2014 Financial Statements and Business Report  
(Proposed by the Board of Directors)

Explanation:

1. 2014 Individual and Consolidated Financial Statements have been audited by independent certified public accountants, Deng, Sheng-Wei and Tzeng, Huei-Chin, of PricewaterhouseCoopers Taiwan, and an audit report has been issued without reservations.
2. The aforementioned Financial Statements and Business Report, have been approved by the Company’s Board of Directors and reviewed by the Company’s supervisors, from which no inaccuracies were found. Thus the Board of Directors hereby submits the aforementioned Financial Statements and Business Reports to the shareholders’ meeting for ratification.
3. Independent Certified Public Accounts’ reports and other financial statements can be found on pages 18 to 32 of this Handbook under Schedule 4. The Business Report can be found on page 7 of this Handbook under Schedule 1, and the Supervisor’s Review Report can be found on page 10 of this Handbook under Schedule 2.

Resolution: The 2014 Financial Statements and Business Report hereby were

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accepted as submitted, the number of shares represented by shareholders attending the Meeting is 40,805,858 shares; the approval share is 40,769,779 shares, 99.91% of voting shares; the disapproval share is 2,040 shares, 0.00% of voting shares; the invalidated is 0 shares, 0.00% of voting shares; the abstention shares and no votes are 34,039 shares, 0.09% of voting shares.

**No. 2:** Ratification of the proposal to offset the deficit of 2014 (Proposed by the Board of Directors)

Explanation:

1. The Company's 2014 financial statements, after audit by independent certified public accountants, showed a net loss of NT\$632,860,322 in 2014, and an accumulated loss of NT\$638,725,788 with adjustments. The Company plans to offset such loss against NT\$638,725,788 from its capital reserve, pursuant to which the accumulated loss will be NT\$0 after the offset. Please refer to the 2014 Deficit Offset Statement below for more details.
2. Due to the lack of retained earnings, the Company does not intend to distribute dividends and bonuses this year.
3. The Board of Directors hereby submits the above proposals to the shareholders' meeting for ratification.

Taiwan Liposome Company, Ltd.

2014 Deficit Offset Statement

(In NTD)

Items	Amount	
	Subtotal	Total
Deficit to be offset in the beginning of 2014	\$0	
2014 retained earnings adjustment	(5,865,466)	
Deficit to be offset with adjustments	(5,865,466)	
2014 net income (deficit)	(632,860,322)	
Deficit to be offset at the end of 2014		(\$638,725,788)

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#### Deficit Offset

Capital reserve - common share premium	638,725,788	638,725,788
Accumulated loss at the end of 2014	<hr/>	<hr/> <hr/> <hr/> 0

Chairman of the Board:

Manager:

Head of the Accounting Dept.:

Resolution: The proposal for 2014 Deficit Offset hereby was approved as proposed, the number of shares represented by shareholders attending the Meeting is 40,805,858 shares; the approval share is 40,769,778 shares, 99.91% of voting shares; the disapproval share is 2,040 shares, 0.00% of voting shares; the invalidated is 0 shares, 0.00% of voting shares; the abstention shares and no votes are 34,040 shares, 0.09% of voting shares.

### 3. Discussions

**No. 1:** Discussion to amend the “Articles of Incorporation” of the Company (Proposed by the Board of Directors)

Explanation:

1. The Company intends to amend part of the “Articles of Incorporation” of the Company to reflect the expansion of the Company’s business scope.
2. The comparison of the current and amended “Articles of Incorporation” of the Company can be found on page 33 of this Handbook under Schedule 5.

Resolution: The “Articles of Incorporation” hereby was approved as proposed, the number of shares represented by shareholders attending the Meeting is 40,805,858 shares; the approval share is 39,651,779 shares, 97.17% of voting shares; the disapproval share is 2,040 shares, 0.00% of voting shares; the invalidated is 0 shares, 0.00% of voting shares; the abstention shares and no votes are 1,152,039 shares, 2.83% of voting shares.

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**No. 2:** Discussion to amend “Rules and Procedures for Shareholders’ Meetings” of the Company (Proposed by the Board of Directors)

Explanation:

1. “Rules and Procedures for Shareholders’ Meetings” of the Company was amended in order to comply with the changes to the law as a result of the Financial Supervisory Commission’s ruling dated January 27, 2015 (reference number: Chin- Guan- Cheng-Fa-Tzu No. 1030051379)
2. A comparison of the current and amended “Rules and Procedures for Shareholders’ Meetings” of the Company can be found on page 34 of this Handbook under Schedule 6.

Resolution: The “Rules and Procedures for Shareholders’ Meetings” hereby was approved as proposed, the number of shares represented by shareholders attending the Meeting is 40,805,858 shares; the approval share is 39,651,778 shares, 97.17% of voting shares; the disapproval share is 2,041 shares, 0.00% of voting shares; the invalidated is 0 shares, 0.00% of voting shares; the abstention shares and no votes are 1,152,039 shares, 2.83% of voting shares.

**No. 3:** Discussion to approve the release of the non-competition restrictions on the directors. (Proposed by the Board of Directors)

Explanation:

1. According to Article 209 of the Company Act, a director who acts for himself or on behalf of another person, whose act falls within the scope of the company’s business but does not otherwise harm the company’s interests, and for which approval has not been secured at the shareholders’ meeting, shall obtain approval at the shareholders’ meeting in order to be released from the non-competition restrictions.
2. For the current directors who have not received approval for those acts for himself or on behalf of another that fall within the scope of the Company’s business, such directors have explained at the Board meeting the essential details of such acts, for which a resolution has been passed by the Board of Directors and is hereby submitted to the shareholders’ meeting for approval. Below is the list of directors who wish to obtain approval at the shareholders’ meeting for a release of the non-competition restrictions on them.

Position	Name	Concurrent posts at other companies within the Company’s business scope
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Position	Name	Concurrent posts at other companies within the Company's business scope
Director	Chang, Hong- Jen	<ol style="list-style-type: none"> <li>1. Director, Medeon Biodesign, Inc.;</li> <li>2. Director, Sunny Pharma Holding Limited;</li> <li>3. Director, Sunny Pharmtech Inc.;</li> <li>4. Director, Mycenax Biotech Inc.;</li> <li>5. Director, Excelsior Biopharma Incorporation;</li> <li>6. Director, Syneurx International (Taiwan) Corp.;</li> <li>7. Director, Abprotix Inc..</li> </ol>
Director	Burrill LifeSciences Capital Fund III, L.P., represented by Marietta Hui Wu	<ol style="list-style-type: none"> <li>1. General Biologics Corporation – director</li> <li>2. Zai Lab Limited-director/COO</li> <li>3. China Healthcare Consortium Ltd.-director</li> </ol>
Independent Director	Liu, Ke-Yi	<ol style="list-style-type: none"> <li>1. Independent Director, Reber Genetics Co., Ltd.;</li> <li>2. Director, HD Bioscience Inc..</li> </ol>

Resolution: The release of the non-competition restriction on the directors hereby was approved as proposed, the number of shares represented by shareholders attending the Meeting is 40,805,858 shares; the approval share is 39,586,767 shares, 97.01% of voting shares; the disapproval share is 67,054 shares, 0.16% of voting shares; the invalidated is 0 shares, 0.00% of voting shares; the abstention shares and no votes are 1,152,037 shares, 2.83% of voting shares.

**4. Motions:** None.

**5. Adjournment:** 9:52 a.m., the Chairman adjourned the Meeting.