



Filed on behalf of Mortgagee

SHUAI SHAO

First

15 January 2021

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: of 2021

IN THE MATTER of an Equitable Mortgage Over Shares dated 25 April 2018

AND IN THE MATTER of GCR Order 50, rule 11

AFFIRMATION

I, SHUAI SHAO of Room 301 Unit 13 Building 4, Yue Fu Jiang Nan, 1 Yi Yong Ding Road, Haidian District, Beijing, the People's Republic of China, DO SOLEMNLY AND SINCERELY AFFIRM AND SAY as follows:

- 1 I am a Director of Laxton Investments Company Limited (the "**Mortgagee**"), a company incorporated under the laws of the British Virgin Islands and having its registered office at Kingston Chambers, PO Box 173, Road Town, Tortola, British Virgin Islands.
- 2 Pursuant to an Equitable Mortgage Over Shares dated 25 April 2018 (the "**Mortgage**") between Honest Dynasty Ltd. (the "**Mortgagor**") and the Mortgagee, the Mortgagor mortgaged as legal owner all its rights, title and interest to, inter alia, 4,160,200 ordinary shares (the "**Shares**") in the share capital of Jyong Biotech Ltd. (the "**Company**") and any Mortgaged Shares (as defined in the Mortgage) other than the aforementioned Shares to the Mortgagee.
- 3 The Company is an exempted company incorporated with limited liability under the Companies Act of the Cayman Islands and its registered office is at the office of Harneys Fiduciary (Cayman) Limited, 4th Floor, Harbour Place, 103 South Church Street, George Town, Cayman Islands.
- 4 Pursuant to the Mortgage, at any time after the occurrence of an Event of Default (as defined in the Mortgage), the Mortgagee is entitled to receive and retain all dividends and other distributions made on or in respect of the Mortgaged Shares.
- 5 On 11 July 2020, an Event of Default occurred by virtue of the Mortgagor's failure to pay and discharge the amount of the put price (i.e., NT\$485,940,000 plus interest accrued on such unpaid sum from 1 November 2015 to the completion date of the repurchase of 3,471,000 ordinary shares in the capital of the Company at a rate which is 10% per annum, calculated on the basis of the actual number of days elapsed and a year of 360 days) which was, and remains, due and payable to the Mortgagee under the Agreement (as defined in the Mortgage).

- 6 Pursuant to Clause 8.1 of the Mortgage, the Mortgagee may at any time after the occurrence of an Event of Default serve an Enforcement Notice (as defined in the Mortgage) on the Mortgagor.
- 7 On 24 November 2020, by DHL courier (with tracking number 1737793352), the Mortgagee sent a letter enclosing the Enforcement Notice dated 21 October 2020 and a certified true copy of the instrument of transfer dated 21 October 2020 effecting the transfer of the Shares from the Mortgagor to the Mortgagee (the "**Instrument of Transfer**") to the Mortgagor at Office No.4, Franky Building, Providence Industrial Estate, Mahé, Seychelles. The Mortgagee required the Mortgagor to instruct the Company or the registered office provider of the Company to update and make the relevant entries in the register of members of the Company to reflect the transfer of the Mortgaged Shares, including the Shares, from the Mortgagor to the Mortgagee. The Mortgagee also required the Mortgagor to provide a certified true copy of the updated register of members of the Company in two business days following the receipt of the Enforcement Notice.
- 8 The letter enclosing the Enforcement Notice and the certified true copy of the Instrument of Transfer was received by the Mortgagor on 26 November 2020. The Mortgagee has not received anything by way of response from the Mortgagor as at the date of this affirmation.
- 9 On 21 December 2020, by DHL courier (with tracking number 5721282000), the Mortgagee sent a letter enclosing a certified true copy of the Notice of Equitable Mortgage dated 25 April 2018 and the certified true copy of the Instrument of Transfer to the Company's registered office provider, Harneys Fiduciary (Cayman) Limited, at 4th Floor, Harbour Place, 103 South Church Street, George Town, Cayman Islands. The Mortgagee required the Company's registered office provider to update and make the relevant entries in the register of members of the Company to record and give effect to the transfer of the Mortgaged Shares from the Mortgagor to the Mortgagee and to register the Mortgagee as the holder of the Mortgaged Shares, including the Shares. The Mortgagee also required the Company's registered office provider to provide a certified true copy of the updated register of members of the Company reflecting the Mortgagee as the registered holder of the Mortgaged Shares.
- 10 The letter enclosing the certified true copy of the Notice of Equitable Mortgage and the certified true copy of the Instrument of Transfer was received by the Company's registered office provider on 29 December 2020. The Mortgagee has not received anything by way of response from the Company's registered office provider or the Mortgagor as at the date of this affirmation.



SHUAI SHAO

[5] day of January 2021

FILED by Maples and Calder, attorneys for Laxton Investments Company Limited, whose address for service is PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands. (Ref: MXB/AAD/706644.000003)

公 证 书

(2021)京长安外经证字第 71 号

申请人：邵帅，男，一九八三年九月八日出生，公民身份号码：410105198309081030

公证事项：签名

兹证明邵帅于二〇二一年一月五日来到我处，在本公证员的面前，在前面的英文文件上签名。

中华人民共和国北京市长安公证处

公 证 员

于坤



NOTARIAL CERTIFICATE

(2021) J.CA.W.J.Z.Zi, No.71

Applicant: Shao Shuai, male, born on September 8, 1983,

Identification of Citizen: 410105198309081030

Issue under notarization: signature

This is to certify that Shao Shuai affixed his signature to the English document attached hereto before me in my office on January 5, 2021.

Notary: Yu Kun

Beijing Chang'an Notary Public Office

The People's Republic of China

January 06, 2021

IV54213173

Stop Notice

To: **JYONG BIOTECH LTD.**
c/o Harneys Fiduciary (Cayman) Limited
4th Floor, Harbour Place
103 South Church Street
George Town, Cayman Islands

TAKE NOTICE that the shares (the "**Mortgaged Shares**") referred to in the first Affirmation of SHUAI SHAO affirmed on [5] day of January 2021 to which this notice is annexed consist of the following:

4,160,200 ordinary shares in the capital of Jyong Biotech Ltd. registered in the name of Honest Dynasty Ltd. and any Mortgaged Shares (as defined in the Equitable Mortgage Over Shares dated 25 April 2018) other than the aforementioned 4,160,200 ordinary shares.

This notice is intended to stop:

- 1 the registration of any transfer of the Mortgaged Shares (other than to Laxton Investments Company Limited); and
- 2 the making of any payment (other than to, or to the order of, Laxton Investments Company Limited) by way of dividend, interest or otherwise in respect of the Mortgaged Shares.

 SHUAI SHAO

for and on behalf of

Laxton Investments Company Limited

NOTE:

No transfer of the Mortgaged Shares referred to above shall be registered nor shall any such payment as is referred to above be made until 14 days after sending notice thereof to the following person (on whose behalf the above stop notice has been filed):

Laxton Investments Company Limited, c/o Maples and Calder, Attorneys at Law, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands (Ref: MXB/AAD/706644.000003).