

Taipei District Prosecutors Office is investigating the representative of the Zhao-X Technology Co.,Ltd. for violation of the Company Act and the Securities and Exchange Act.The explanations are as follows:

I FACTS

The defendant Lau who is the representative of Zhao-X Technology Co., Ltd.,Zhao-X International Development Co., Ltd.,and Xi-X-Na Biomedicine Co., Ltd,the defendant Lin who is the spouse of the defendant Lau and other related 14 suspects,were suspected of spending 2,000,000 NT dollars falsely to set up a company in July 2011. They continued in injecting capital falsely for 28,000,000 NT dollars in August 2011 and for 270,000,000 NT dollars in September 2012.They lied to the public that the Zhao-X Technology Co., Ltd has convincing prospect and will be listed in emerging stock market.They started to sell the stocks of the Zhao-X Technology Co., Ltd to public for 65 to 67 NT dollars per share.They declared that they have signed the Transnational Medical Memorandum of Collaboration with some republic country. Therefore, the board of the company decided the issuance of 13,370,000 new shares for the shareholders to buy at 25 NT dollars per share.They raised 33,000,000 fund as of 20th Aug 2014.They were involved in violating of the provisions Of Article 9 of the Company Act, the provisions of section I of the Article 171 and section I of the Article 175 of the Securities and Exchange Act,and the Article 339 of the Criminal Code.

II Investigative actions:

Seven prosecutors including prosecutor Lin-An-Yun of the Organized Crime and Corruption Panel conducted the investigators of the Central District Mobile Station of the Investigation Bureau to searched the Zhao-X Technology Co., Ltd. and Xi-X-Na Biomedicine Co. with 11 search warrants issued by the Taipei District Court.Later the prosecutors will interrogate 14 suspects to clarify the details of the case.