# CHC Healthcare Group

# Meeting Minutes for 2020 Annual Shareholders' Meeting

Date: June 12, 2020 at 09:00 a.m.

Place: 7F., No. 369, Fuxing N. Rd., Taipei City, Taiwan (Salt & Light Conference Center)

Attendants: CHC's total outstanding shares are 140,643,289 shares (1,000,000 shares of treasury shares are excluded). 85,038,847 shares were represented by the shareholders and proxies present, which amounted to 60.46% of the Company's 140,643,289 issued and outstanding shares.

Chair: Pei-Lin, Lee, Chairman

Recorder: Chia-Wen, Wang

Board Members Present: Pei-Lin, Lee, Chairman
Tien-Ying, Lee, Vice Chairman
Gui-Duan, Chen, Independent Director
Geng-Wang, Liaw, Independent Director
Yung-Shun, Chuang, Representative of Yen-Hsin Investment Ltd., Juristic Person Director

In Attendance: Sheng-Wei, Teng, Independent Accountant, PricewaterhouseCoopers Taiwan
Wen-Ling, Tsai, Attorney, GuoJu Law Firm

1. Commencement: The aggregate shareholdings of the shareholders and proxies present constituted a quorum. Chair of the Meeting called the meeting to order.

2. Chair's Address: Dear shareholders, thank you for visiting 2020 Annual Shareholders' Meeting of CHC. Let's proceed according to the agenda.

3. Report Items
   (1). 2019 business report: Please refer to Attachment 1
   (2). Audit committee's report on review of 2019 audited financial reports: Please refer to Attachment 2

(3). To report the distribution of dividends and bonuses to be paid in cash of 2019

(4). To report the distribution of the compensations for employees and remunerations for directors of 2019

(5). To report the information of endorsements/guarantees in 2019: Please refer to Attachment 3

(6). To report the amendment to the Company's “Rules for the First Repurchase and Transfer of Shares to Employees”: Please refer to Attachment 4

(7). To report the status of the private placement of common shares resolved by 2019 Annual Shareholders’ Meeting

(8). To report the amendment to the Company's “Procedures for Ethical Management and Guidelines for Conduct”: Please refer to Attachment 5

4. Matters for Ratification

(1). 2019 business report and financial statements

(Proposed by Board of Directors)

Explanation: (1). The Company’s audit committee issued its report after reviewing 2019 Parent Company Only Financial Statements and Consolidated Financial Statements, which audited by independent accountants, Sheng-Wei, Teng and Hui-Chin, Chou Tseng of PricewaterhouseCoopers (PwC) Taiwan, together with 2019 Business Report.

(2). For “2019 Business Report”, “2019 Audit Committee’s Review Report”, “Report of Independent Accountants and 2019 Parent Company Only Financial Statements and Consolidated Financial Statements”, please refer to Attachment 1, Attachment 2 and Attachment 6.

(3). Please ratify it.

Resolution: Voting result of the proposal is as follows: Total shares represented by the shareholders at the time of voting are 85,038,847 shares. There are 83,657,608 votes in favor (including 15,432,045 votes are exercised by electronic voting method), 20,619 votes against (including 20,619 votes are exercised by electronic voting method), 0 vote invalid, 1,360,620 votes abstained (including 1,360,620 votes are exercised by electronic voting method). Votes in favor accounts for 98.37% of the total representation at the time of voting thus the proposal is ratified as proposed.

(2). Proposal for 2019 earnings distribution

(Proposed by Board of Directors)

Explanation: (1). The Company's profit for the year 2019 is NT$ 395,172,200. After setting aside the legal reserve for NT$ 39,517,220, special reserve for NT$ 24,230,741 based on Article 41, paragraph 1 of "Securities and Exchange Act" and then adding unappropriated retained earnings at the beginning of 2019 for NT$ 150,337,177, the distributable unappropriated retained earnings for the year 2019 is NT$ 481,761,416. Proposal for earnings distribution is as follows:

CHC Healthcare Group

Table of 2019 Earnings Distribution

| Item | Amount(NT$) | |
|---|---|---|
| | Subtotal | Total |
| Unappropriated retained earnings at the beginning of the year | | 150,337,177 |
| Add: Profit for the year | 395,172,200 | |
| Deduct: Legal reserve | (39,517,220) | |
| Deduct: Special reserve | (24,230,741) | |
| Subtotal | | 331,424,239 |
| Distributable unappropriated retained earnings for the year | | 481,761,416 |
| Distribution items: | | |
| Cash dividends (NT$2 per share) | | 281,267,078 |
| Unappropriated retained earnings at the end of the year | | 200,494,338 |

Chairman: Pei-Lin, Lee GM: Pei-Lin, Lee CFO: Yi-Chun, Chen

(2). The proposal has been approved by the Company's 14th audit committee's meeting of the 1st term.

(3). 2019 earnings distribution is first distributed from earnings in 2019 which is distributable.

(4). Please ratify it.

Resolution: Voting result of the proposal is as follows: Total shares represented by the shareholders at the time of voting are 85,038,847 shares. There are 83,769,608 votes in favor (including 15,544,045 votes are exercised by electronic voting method), 21,619 votes against (including 21,619 votes are exercised by electronic voting method), 0 vote invalid, 1,247,620 votes abstained (including 1,247,620 votes are exercised by electronic voting method). Votes in favor accounts for 98.50% of the total representation at the time of voting thus the proposal is ratified as proposed.

5. Matters for Discussion

(1). To transfer shares to employees at less than the average actual share repurchase price (Proposed by Board of Directors)

Explanation: (1). The proposal "To transfer shares to employees at less than the average actual share repurchase price" was approved at the Annual Shareholders' Meeting on June 12, 2019. The exercise price of transferring treasury shares to employees was NT$ 20 dollars per share, so far the transfer has not been made. It will be performed after being proposed to the Meeting for approval in accordance with relevant regulations.

(2). Since expensing employee bonus leads to the decrease in the Company's distribution of bonus, to reduce the impact of expensing employee bonus on the Company and to achieve the goal of motivating employees and retaining talents, the Company has proposed to transfer shares to employees at less than the average actual share repurchase price.

(3). In accordance with Article 10-1 of "Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies", when the Company intends to transfer shares to employees at less than the average actual share repurchase price, relevant matters shall be explained as follows:

A. The exercise price, the valuation percentage, the bases of calculations, and the reasonableness:

The exercise price is 70% of the simple average closing price of the common shares for either the 1, 3, or 5 business days (temporary

reference price) before the price determination date. The current exercise price of transferring treasury shares to employees is NT$ 25 dollars per share (calculated based on the simple average closing price NT$ 35.01 per share of the common shares for 1 business days before March 13, 2020 multiplied by 70%). The valuation percentage is determined according to present economic conditions and the Company's future business circumstance, which is deemed to be reasonable.

B. The number of shares to be transferred, the purpose, and the reasonableness:
   (a). The number of shares to be transferred: 1,000,000 shares
   (b). The purpose: To motivate employees and retain talents for the purpose of enhancing cohesion
   (c). The reasonableness: The Company adequately gives incentive to employees by offering the exercise price of 70% of the simple average closing price of the common shares for either the 1, 3, or 5 business days (temporary reference price) before the price determination date (March 13, 2020). Also the cumulative number of shares planned to transfer to employees has not exceed 5% of the total issued shares of the Company regulated by Article 10-1 of "Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies". Therefore, it is deemed to be reasonable.

C. Qualification requirements for employees subscribing to shares, and the number of shares they are allowed to subscribe for:
   (a). Qualification requirements for employees subscribing to shares: Perform in compliance with Article 4 of the Company's "Rules for the First Repurchase and Transfer of Shares to Employees"
   (b). The number of shares allowed to be subscribed for: Perform in compliance with Article 5 of the Company's "Rules for the First Repurchase and Transfer of Shares to Employees"

D. Factors affecting shareholders' equity:
   (a). The expensable amount and dilution of the Company's earnings per share:

(i). The expensable amount: Temporarily calculated based on the closing price per share on March 13, 2020, the amount will be adjusted on the basis of the actual record date of transfer. (Market price per share (Closing price per share on share subscription record date) – Actual exercise price) * Actual number of shares exercise = NT$ 7,300 thousand

(ii). Dilution of the Company's earnings per share:
Dilution of earnings per share = Expensable amount / Current number of outstanding shares = NT$ 0.05

(b). Explain what financial burden will be imposed on the Company by transferring shares to employees at less than the average actual share repurchase price:
For the Company to transfer shares to employees at less than the average actual share repurchase price, the estimated gap between the exercise price and the repurchase price is NT$ 9,960 thousand. Since there is no capital surplus generated from transaction of treasury shares, after deducted the expensable amount of NT$ 7,300, the unappropriated retained earnings will be offset by NT$ 2,660 thousand. The unappropriated retained earnings on the account is NT$ 200,494 thousand after distribution of 2019 earnings, which is still higher than the aforesaid gap. Considering the Company’s working capital will increase by NT$ 25,000 thousand after transferring of treasury shares to employees and the Company is now remain profitable, it will cause no critical financial burden.

(4). The proposal has been approved by the Company’s 14th audit committee’s meeting of the 1st term.

(5). Please start discussion.

Resolution: Voting result of the proposal is as follows: Total shares represented by the shareholders at the time of voting are 85,038,847 shares. There are 78,899,732 votes in favor (including 10,674,169 votes are exercised by electronic voting method), 4,891,499 votes against (including 4,891,499 votes are exercised by electronic voting method), 0 vote invalid, 1,247,616 votes abstained (including 1,247,616 votes are exercised by electronic

voting method). Votes in favor accounts for 92.78% of the total representation at the time of voting thus the proposal is approved as proposed.

(2). To propose the issuance plan for a private placement of common shares

(Proposed by Board of Directors)

Explanation: (1). To enhance the long-term relationship with strategic investors and consider the effectiveness of raising capital, the Company has proposed a private placement of common shares within the limit of 20,000 thousand shares and may be carried out by installments (no more than 3 times) within one year of the date of the resolution of the Meeting in accordance with Article 43-6 of "Securities and Exchange Act". Relevant information is as follows:

A. The basis and reasonableness of the private placement pricing:

(a). The price per share set for privately placed common shares may not be lower than 80% of the reference price. The reference price shall be the higher of the following two calculations:

(i). The simple average closing price of the common shares for either the 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction.

(ii). The simple average closing price of the common shares for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.

(b). It is proposed to the Meeting to authorize the Board of Directors to determine the actual price determination date and issuance price in accordance with the status of selecting the specific persons and the market situation, also the price can't be lower than the percentage for the private placement pricing set by the Meeting.

(c). It is believed to be reasonable due to the basis for the method by which the price was set and terms above are all complied with relevant laws and regulations and in line with market situation.

B. The method, objectives, necessity and anticipated benefits for selecting the specific persons:

(a). The method and objectives of selecting the placee: To enhance the relationship with strategic investors, the Company plans to select the specific persons in accordance with Article 43-6 of "Securities and Exchange Act".

(b). The necessity and anticipated benefits: The Company proposed to engage with strategic investors through private placement to raise capital for the Company's long-term operating plan and future business development. It is expected that the private placement will strengthen future competitiveness, improve financial structure, enrich working capital and have advantage on the Company's long-term development. Cooperation with strategic investors may lead to broader business territory, which also has positive influence on shareholders' equity.

C. The reasons for the necessity for conducting the private placement:

(a). The reasons for not using a public offering: Considering the regulation of three year no-trading period, it will help assure the long-term relationship between the strategic investors and the Company through private placement.

(b). The limit on the private placement: Within the limit of 20,000 thousand shares

(c). The use of the funds raised by installments and the anticipated benefits: The funds raised by installments in the private placement will be used to enrich working capital and for future development needs. It is expected to strengthen financial structure, replenish working capital and improve competitiveness of the Company.

(2). The new private placement shares shall have the same rights and obligations as holders of common shares of the Company except the transfer limitation of privately placed securities within three years of the delivery date stated in Article 43-8 of "Securities and Exchange Act". It is proposed to the Meeting to authorize the Board of Directors to file with the competent authority for retroactive handling of public

issuance procedures for the private placement shares after three full years have elapsed since the delivery date based on “Securities and Exchange Act” and relevant rules.

(3). It is proposed to the Meeting to authorize the Board of Directors to make amendment and supplement to the issuance price, terms and conditions, particulars of the plan and the actual status and other relevant matters related to the private placement if there occurs any update of R.O.C. laws or regulations, request by the authority, change of the market conditions or due to any subjective and objective factors.

(4). It is proposed to the Meeting to authorize the Chairman to represent the Company to negotiate and sign any document and contract with regard to the private placement plan, also to represent the Company for matters regarding the plan.

(5). The proposal has been approved by the Company’s 14th audit committee’s meeting of the 1st term.

(6). Please start discussion.

Resolution: Voting result of the proposal is as follows: Total shares represented by the shareholders at the time of voting are 85,038,847 shares. There are 81,852,418 votes in favor (including 13,626,855 votes are exercised by electronic voting method), 1,937,813 votes against (including 1,937,813 votes are exercised by electronic voting method), 0 vote invalid, 1,248,616 votes abstained (including 1,248,616 votes are exercised by electronic voting method). Votes in favor accounts for 96.25% of the total representation at the time of voting thus the proposal is approved as proposed.

6. Elections

- To elect directors of the Company’s Board of Directors for the 6th term

Explanation: (1).The term of directors of the 5th term Board of Directors of the Company will expire on June 12, 2020. Election of new directors shall be effected in accordance with Article 195 of “Company Act”.

(2). There are 7 positions (including 4 directors and 3 independent directors) of the Company’s Board of Directors for the 6th term shall

be elected on the Meeting. Since candidates nomination system in Article 192-1 of "Company Act" is adopted, shareholders shall elect the directors from the list of director candidates on the Meeting. A three-year term of the newly elected members will commence immediately following the conclusion on the Meeting, effective from June 12, 2020 to June 11, 2023. The term of original directors will be expired on the spot when the election coming to a result.

(3). According to Article 192-1 of "Company Act", Article 14-2 of "Securities and Exchange Act" and "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" governing relevant matters for compliance, list of director candidates after examination by the Board of Directors on the board meeting on March 23, 2020 please refer to Attachment 7.

(4). For "Procedures for Election of Directors", please refer to Appendix 3.

(5). Please vote.

Election Results: Chair of the Meeting announced the list of persons elected as directors as followed:

| Shareholder Account Number or Identity Card Number | Account Name | Numbers of Votes |
|---|---|---|
| 5 | Princeton Healthcare Limited Representative: Pei-Lin, Lee | 138,280,998 |
| 2 | Tien-Ying, Lee | 117,636,568 |
| B10031XXXX | Chun-Shung, Huang | 112,126,382 |
| 30630 | Yen-Hsin Investment Ltd. Representative: Yung-Shun, Chuang | 109,187,699 |
| L10277XXXX | Gui-Duan, Chen | 21,840,156 |
| P12296XXXX | Geng-Wang, Liaw | 20,473,685 |
| B10001XXXX | Chang-Jian, Ho | 20,129,970 |

7. Other Proposals

- To release the new directors and their representatives from non-competition restrictions

Explanation: (1). According to Article 209 of "Company Act": a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of

shareholders the essential contents of such an act and secure its approval.

(2). If any newly elected directors meet the aforesaid situation, it requests shareholders' approval on the Meeting to release the directors and their representatives from non-competition restrictions. Also the main business of the restricted position belonged shall be revealed in accordance with Letter No. 1090001051 issued on April 1, 2020 by Securities and Futures Investors Protection Center (SFIPC). For "Detail List of Director and Independent Director Candidates to be Released from Non-Competition Restrictions", please refer to Attachment 8.

(3). Please start discussion.

Resolution: Voting result of the proposal is as follows: Total shares represented by the shareholders at the time of voting are 85,038,847 shares. There are 83,683,470 votes in favor (including 15,457,907 votes are exercised by electronic voting method), 70,900 votes against (including 70,900 votes are exercised by electronic voting method), 0 vote invalid, 1,284,477 votes abstained (including 1,284,477 votes are exercised by electronic voting method). Votes in favor accounts for 98.40% of the total representation at the time of voting thus the proposal is approved as proposed.

8. Extempore Motions: None

9. Meeting Adjourned: At 09:32 a.m.

【Attachment 1】

# CHC Healthcare Group

## 2019 Business Report

Dear Shareholders:

Thank you for your support and guidance to CHC Healthcare Group, enabling the Group to continue growth in this highly competitive environment. With the efforts of all employees, the Group has once again achieved a record high performance in 2019 with a double-digit net profit margin. Also, the Group officially launched the business of medical management services in Indonesia, which deemed to be news of victory in overseas markets. The Group strongly believes that a solid economic foundation is the key to sustainable business operations, and will continue the growth streak and maintain the upgoing momentum in the future, with a view to creating the best interests for the shareholders and employees.

1. The 2019 business operation results

(1). 2019 business plan implementation

The 2019 consolidated operating revenue was NT$ 2,950,052 thousand, higher than NT$ 2,507,466 thousand reported in 2018, mainly attributable to the growth of equipment sales. The 2019 profit for the year was NT$ 390,431 thousand, an increase from the previous year's profit of NT$ 317,829 thousand, mainly due to the growth of operating revenue in 2018. The consolidated operating results for the year 2019 are as follows:

Unit: NT$ Thousand

| Item | 2019 |
|---|---|
| Operating revenue | 2,950,052 |
| Gross profit | 806,002 |
| Operating expenses | 276,431 |
| Operating profit | 529,571 |
| Profit before income tax | 476,593 |
| Profit for the year | 390,431 |

(2). Budget execution

The Group did not disclose the 2019 financial forecast, so there is no need to disclose the budget execution.

(3). Revenue/expenditure and profitability

| Item | | 2019 | 2018 |
|---|---|---|---|
| Financial structure and solvency | Debt ratio (%) | 52.55% | 52.68% |
| | Current ratio (%) | 115.10% | 236.84% |
| Profitability | Return on total assets (%) | 4.23% | 3.69% |
| | Return on equity (%) | 7.47% | 6.33% |
| | Net profit margin (%) | 13.23% | 12.68% |
| | Basic earnings per share (NT$) | NT$2.83 | NT$2.32 |

(4). R&D status

The Group is not in the manufacturing industry and therefore does not have a dedicated R&D department. In the year 2018, however, the Group engaged in a technology R&D Project for industrial upgrade and innovation coaching, titled "Integrated Radiation Oncology Information Platform - IROIP ", hosted by Ministry of Economic Affairs, and accordingly the Group established an information platform in 2018 and the buildup will continue throughout 2020. With experiences in collaboration with the radiation oncology departments of major hospitals, the Group's technical team has built an information platform that can integrate the Hospital Information System and Oncology Information System of patient treatment and can give systematic alerts or warnings at critical moment during radiation oncology treatment, to facilitate the radiotherapy for higher accuracy, timeliness and integrity.

2. The 2020 business plan outline

(1). Product development strategy

The Group has long been committed to introducing high-end medical equipment and technologies for improvement of the medical standards at home. In recent years, the Group has further engaged in precision medicine and introduced the proton therapy system, MRI linear accelerator, etc., aimed for protecting normal tissues to the maximum extent while eliminating tumors. The Group also brought in HAL® (Hybrid Assistive Limb®) for medical use which obtained CE marking of European Union and FDA marketing clearance of United States, and already launched in three primary markets –European Union, United States and Japan. It is expected to benefit patients in need in Taiwan due to its positive effect on rehabilitation of spinal cord injury and stroke.

In the future, the Group will continue the robust distributorship with international medical equipment manufacturers and actively recruit new products through visits to exhibitions, so as to enrich the product line, for which the existing sales channels will be efficiently performed to bring in further incomes for the Group, achieving a three-win situation among the Group, the patients and the medical institutions.

(2). Technical training programs

The Group strongly believes that quality service and professional staff are the Group's greatest assets presenting the competitive niche. And for the introduction of new products as well as the expansion to new markets, the Group will replicate the existing successful business model in active recruitment of professional team members, providing training to facilitate high-speed growth while maintaining high-quality service and goodwill, to build our differentiated competitiveness. The Group has now successfully entered the China and Southeast Asia markets to provide relevant technical services and will continue to train the technical team for the overall business development.

(3). Medical service guideline

In addition to a deep connection to the radiation oncology departments of major hospitals in Taiwan, the Group has also established a collaboration model with several large medical institutions in China. Based on our extensive experiences and abundant resources in operating of radiation oncology departments, we have helped improve their medical management process and increased their revenues. Meanwhile, we use the collaborative sites as exhibition points to negotiate other projects and take the opportunities to learn more about China's policy trends and market profiles in order to extend the depth and breadth of medical services and provide more comprehensive and multi-faceted integrated services in the China market.

In view of the lack of large-scale medical facilities in the Southeast Asian markets, the Group has been interested in the new territory. Currently, we have successfully assisted the first hospital under Mayapada Hospital Group to establish a radiation oncology department, which is now in operation for the treatment of cancer patients. In the future, we will continue to provide medical management services, aiming to help Southeast Asian countries improve medical quality and cultivate medical talents.

(4). Diversified expansion

It is estimated by the National Development Council that Taiwan will officially become a super-aged society by 2026 with the proportion of the elderly population over age 65 breaking the 20% mark. In perception of population aging of Taiwan which makes long-term care an issue not to be ignored, the Group has cooperated with Sakurajyuji Group in Japan to engage in Taiwan’s long-term care market. The plan is to create a comfortable, safe, elderly-oriented, and humanity-based environment with a differentiation strategy. Besides focusing on complete continuous care, the concept of preventive medicine will also be fully advocated. The goals are to prolong healthy life expectancy, to shorten the period of bedridden, to give a boost to the quality and dignity of life of the elders at home, and ultimately to bring Taiwan’s long-term care industry a whole new perspective.

【Attachment 2】

# CHC Healthcare Group
# 2019 Audit Committee's Review Report

**TO: 2020 Annual Shareholders' Meeting of CHC Healthcare Group**

The Board of Directors reports 2019 Parent Company Only Financial Statements and Consolidated Financial Statements, and were audited by independent accountants, Sheng-Wei, Teng and Hui-Chin, Chou Tseng of PricewaterhouseCoopers (PwC) Taiwan, which they considered to present a fair view of the Company's financial position, operating results and cash flows. 2019 parent company only financial statements and consolidated financial statements, together with 2019 business report and proposal for 2019 earnings distribution, have all been reviewed by us as audit committee of the Company. We deem no inappropriateness on these documents. Pursuant to Article 14-4 of "Securities and Exchange Act" and Article 219 of "Company Act", we hereby present the 2019 Audit Committee's Review Report. Please review.

**CHC Healthcare Group**

By
Gui-Duan, Chen
Convener of audit committee

March 23, 2020

【Attachment 3】

# CHC Healthcare Group

## Information of Endorsements/Guarantees in 2019

The Company's information of endorsements/guarantees by December 31, 2019:

1. Counterparty: Four 100% owned subsidiaries
2. Total Amount of Endorsements/Guarantees: NT$ 3,663,980 thousand
3. Purpose of Endorsements/Guarantees: For subsidiaries' financing needs
4. According to the net worth on December 31, 2019, the ceiling on total amount of the Company's endorsements/guarantees is NT$ 15,486,432 thousand and the ceiling on amount of the Company's endorsements/guarantees to any individual entity is NT$ 10,324,288 thousand. All endorsements/guarantees the Company made are pursuant to "Procedures for Endorsement & Guarantee" and there is no circumstance that the amount exceeds the ceiling.

| Item | Counterparty | Amount (NT$ thousand) |
|---|---|---|
| 1 | Chiu Ho Medical System Co., Ltd. | 1,792,000 |
| 2 | Tomorrow Medical System Co., Ltd. | 1,520,000 |
| 3 | Chiu Ho Scientific Co., Ltd. | 294,980 |
| 4 | E Century Health Care Corporation | 57,000 |
| | Total Amount | 3,663,980 |

5. Subsidiaries' information of endorsements/guarantees by December 31, 2019:

| Item | Provider | Counterparty | Amount (NT$ thousand) |
|---|---|---|---|
| 1 | Hsing-Yeh Biotechnology Co., Ltd. | CHC Healthcare Group | 828,236 |
| 2 | Hsing-Yeh Biotechnology Co., Ltd. | Tomorrow Medical System Co., Ltd. | 575,164 |
| 3 | Chiu Ho (China) Medical Technology Co., Ltd | Guangzhou Chiuho Medical System Co., Ltd. (Note) | 43,050 |
| | | Total Amount | 1,446,450 |

Note: The subsidiary's English name has been changed from the original name to "CHC(Guangzhou) Medical Technology Co., Ltd." since April 28, 2020.

【Attachment 4】

# CHC Healthcare Group

## Comparison Table of Revised Articles of "Rules for the First Repurchase and Transfer of Shares to Employees"

<table>
<tr><th>Article before revision</th><th>Article after revision</th><th>Explanation</th></tr>
<tr><td>Article 7<br>The share transfer price for the present repurchase of shares and transfer to employees will be the average of the actual share repurchase prices, provided that if, prior to the transfer, there is an increase in the number of issued shares of the Company's common shares, the transfer price may be adjusted within a range proportional to the increase.</td><td>Article 7<br>The share transfer price for the present repurchase of shares and transfer to employees will be the average of the actual share repurchase prices, provided that if, prior to the transfer, there is an increase in the number of issued shares of the Company's common shares, the transfer price may be adjusted within a range proportional to the increase. Or based on the Company's "Articles of Incorporation", to transfer shares repurchased to employees at less than the average actual share repurchase price, the Company must have obtained the consent of at least two-thirds of the voting rights present at the most recent shareholders' meeting attended by shareholders representing a majority of total issued shares before transferring. Also the Company must have listed the matters regulated by Article 10-1 of "Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies" in the notice of reasons for that shareholders meeting.</td><td>Newly added contents of regulations about transferring shares repurchased to employees at less than the average actual share repurchase price.</td></tr>
<tr><td><table><tr><th>Version</th><th>Date of Implementation /Amendment</th><th>Type of Approval</th></tr><tr><td>1</td><td>2018/08/13</td><td>Approved by Board of Directors</td></tr><tr><td>2</td><td>2018/11/12</td><td>Approved by Board of Directors</td></tr></table></td><td><table><tr><th>Version</th><th>Date of Implementation /Amendment</th><th>Type of Approval</th></tr><tr><td>1</td><td>2018/08/13</td><td>Approved by Board of Directors</td></tr><tr><td>2</td><td>2018/11/12</td><td>Approved by Board of Directors</td></tr><tr><td>3</td><td>2019/08/07</td><td>Approved by Board of Directors</td></tr></table></td><td>Amending date added.</td></tr>
</table>

【Attachment 5】

# CHC Healthcare Group

## Comparison Table of Revised Articles of "Procedures for Ethical Management and Guidelines for Conduct"

| Article before revision | Article after revision | Explanation |
|---|---|---|
| Article 5<br>The Company designates the Human Resource & General Affairs Department as the solely responsible unit (hereinafter, "responsible unit") under the Board of Directors and in charge of the amendment, implementation, interpretation, and advisory services with respect to the Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. | Article 5<br>The Company designates the Human Resource & General Affairs Department as the solely responsible unit (hereinafter, "responsible unit") under the Board of Directors, allocated adequate resources and competent personnel, responsible for ~~and in charge of~~ the amendment, implementation, interpretation, and advisory services with respect to the Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall report to the Board of Directors on a regular basis (at least once a year). | Newly added contents as appropriate to meet the needs of the Company's management. |
| Article 11<br>When any director, managerial officer or other stakeholder of the Company attending or presenting at a meeting of Board of Directors, or the juristic person represented thereby, has a stake in a proposal at the meeting , that director, managerial officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of the Company would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner.<br>(The following is omitted.) | Article 11<br>When any director, managerial officer or other stakeholder of the Company attending or presenting at a board meeting ~~of Board of Directors~~, or the juristic person represented thereby, has a personal interest ~~stake~~ in any agenda item ~~a proposal at the meeting~~, that director, managerial officer or stakeholder shall state the important aspects of the interest ~~stake~~ in the meeting and, where there is a likelihood that the interests of the Company would be prejudiced, may not participate in the discussion or vote on that item ~~proposal~~, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner.<br>Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has a interest in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.<br>(The following is omitted.) | Newly added contents as appropriate to meet the needs of the Company's management. |

<table>
<tr><th>Article before revision</th><th>Article after revision</th><th>Explanation</th></tr>
<tr><td>Article 16<br>It is appropriate for the Company to disclose its policy of ethical management in its internal policies, annual reports, on the Company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.</td><td>Article 16<br>The Company shall request their directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy. ~~It is appropriate for t~~The Company shall ~~to~~ disclose its policy of ethical management in its internal policies, annual reports, on the Company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.</td><td>Newly added contents as appropriate to meet the needs of the Company’s management.</td></tr>
<tr><td>Article 22<br>The Company shall link ethical management to employee performance evaluations and human resources policy, and establish clear and effective systems for rewards, penalties, and complaints.<br>(The following is omitted.)</td><td>Article 22<br>The responsible unit of the Company shall organize internal awareness session at least once a year and arrange for the Chairman, general manager, or senior management to communicate the importance of ethics to its directors, employees, and mandataries. The Company shall link ethical management to employee performance evaluations and human resources policy, and establish clear and effective systems for rewards, penalties, and complaints.<br>(The following is omitted.)</td><td>Newly added contents as appropriate to meet the needs of the Company’s management.</td></tr>
<tr><td><table><tr><th>Version</th><th>Date of Implementation /Amendment</th><th>Type of Approval</th></tr><tr><td>1</td><td>2014/03/27</td><td>Approved by Board of Directors</td></tr><tr><td>2</td><td>2015/03/23</td><td>Approved by Board of Directors</td></tr><tr><td>3</td><td>2017/08/10</td><td>Approved by Board of Directors</td></tr></table></td><td><table><tr><th>Version</th><th>Date of Implementation /Amendment</th><th>Type of Approval</th></tr><tr><td>1</td><td>2014/03/27</td><td>Approved by Board of Directors</td></tr><tr><td>2</td><td>2015/03/23</td><td>Approved by Board of Directors</td></tr><tr><td>3</td><td>2017/08/10</td><td>Approved by Board of Directors</td></tr><tr><td>4</td><td>2020/03/23</td><td>Approved by Board of Directors</td></tr></table></td><td>Amending date added.</td></tr>
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【Attachment 6】

REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of CHC Healthcare Group

## *Opinion*

We have audited the accompanying parent company only balance sheets of CHC Healthcare Group (the "Company") as at December 31, 2019 and 2018, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and its financial performance and its cash flows for the years then ended, in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers".

## *Basis for opinion*

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China (ROC GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with the Code of Professional Ethics for Certified Public Accountants in the Republic of China (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with this Code. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## *Key audit matters*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements of the current period. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters on the parent company only financial statements for the year ended December 31, 2019 were as follows:

**Assessment of investments accounted for using equity method**

Refer to Note 4(12) for accounting policy on investments accounted for using equity method, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to impairment assessment of investments accounted for using equity method, and Note 6(5) for details of investments accounted for using equity method.

As of December 31, 2019, the Company's subsidiary, Chiu Ho Medical System Co., Ltd. and its subsidiaries ("Chiu Ho Medical System Group"), recognised investments accounted for using equity method and investment income amounting to NT$3,568,853 thousand and NT$183,011 thousand, respectively. Because Chiu Ho Medical System Group's investments accounted for using equity method constituted 46% of the Company's total assets as of December 31, 2019, and investment income constituted 48% of the Company's profit before tax for the year ended December 31, 2019, which are significant to the Company's financial statements, we identified the assessment of investments accounted for using equity method as a key audit matter as well as the key audit matters, impairment assessment of goodwill and property, plant and equipment, included in Chiu Ho Medical System Group's financial statements. The key audit matters in relation to Chiu Ho Medical System Group's financial statements for the year ended December 31, 2019 are stated as follows:

**Impairment assessment of goodwill**

Description

As of December 31, 2019, Chiu Ho Medical System Group's goodwill arising from business combination amounted to NT$150,617 thousand. After identifying the smallest cash generating unit which can generate independent cash flows, Chiu Ho Medical System Group used the recoverable amount of each cash generating unit to assess whether goodwill may be impaired. Since the assumptions used by management to assess whether goodwill is impaired involve subjective judgement and have high uncertainty, we consider the impairment assessment of goodwill as a key audit matter.

Refer to Note 4(21) in the consolidated financial statements for the accounting policy on goodwill impairment, Note 5(2) in the consolidated financial statements for uncertainty of accounting estimates and assumptions in relation to goodwill impairment and Note 6(31) in the consolidated financial statements for related details.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

A. Obtained an understanding on how management identifies the objective evidence of goodwill impairment, taking into account certain factors in a consistent manner and ascertained whether management uses reliable information.

B. Obtained the report on the valuation of the subsidiary issued by an expert appointed by the management and performed the following:

   (1) Assessed the independence, objectiveness and competence by reviewing the expert's qualification.

   (2) Assessed whether the valuation model is reasonable based on our knowledge of the Chiu Ho Medical System Group's businesses and industry.

   (3) Confirmed whether the expert uses the same future cash flows relative to the budget for the next five years provided by the management.

   (4) Checked whether the comparable assets adopted in appraisal report are consistent with the actual operations.

   (5) Assessed whether the significant assumptions applied by the expert are relevant and reasonable and tested the mathematical accuracy.

**Impairment assessment of property, plant and equipment**

Description

Some of Chiu Ho Medical System Group's leasing businesses were not as profitable as expected due to fierce competition in the healthcare industry. The Chiu Ho Medical System Group assesses the impairment based on the estimated recoverable amounts of leasing assets (shown as property, plant and equipment) where there is an indication that they are impaired. Given that the calculation of recoverable amounts requires significant accounting estimates relying on subjective judgement and uncertainty, we consider the impairment assessment of leasehold assets using the cash-generating units as a key audit matter.

Refer to Note 4(21) in the consolidated financial statements for the accounting policy on asset impairment and Note 5(2) in the consolidated financial statements for accounting estimates and assumption uncertainty of asset impairment.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

A. Obtained an understanding on how management identifies the objective evidence of impairment, taking into account certain factors in a consistent manner and ascertained whether the management uses reliable information.

B. Obtained the asset appraisal report issued by an expert appointed by the management and performed the following:

(1) Assessed the expert's independence, objectiveness and competence by reviewing the expert's qualification.

(2) Assessed whether the valuation method is widely adopted and appropriate based on our knowledge of the Chiu Ho Medical System Group's businesses and industry.

(3) Confirmed whether the replacement cost, comparative objects and the assets' use indicated on the appraisal report are consistent with the actual operations.

(4) Assessed whether the significant assumptions applied by the expert are relevant and reasonable and tested the mathematical accuracy.

## *Responsibilities of management and those charged with governance for the parent company only financial statements*

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", and for such internal controls as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

## *Auditor's responsibilities for the audit of the parent company only financial statements*

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ROC GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with ROC GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

A. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
B. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.
C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
E. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements

represent the underlying transactions and events in a manner that achieves fair presentation.

F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the current period and are therefore the key audit matters. We describe these matters in our report unless the law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For and on behalf of PricewaterhouseCoopers, Taiwan
March 23, 2020

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The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

CHC HEALTHCARE GROUP
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2019 AND 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

| | Assets | Notes | December 31, 2019 Amount | % | December 31, 2018 Amount | % |
|---|---|---|---|---|---|---|
| | **Current assets** | | | | | |
| 1100 | Cash and cash equivalents | 6(1) | $ 208,236 | 3 | $ 50,008 | - |
| 1110 | Financial assets at fair value through profit or loss - current | 6(2)(16) | 71,369 | 1 | 53,482 | 1 |
| 1136 | Current financial assets at amortised cost | 6(4)(15) | 2,998 | - | - | - |
| 1180 | Accounts receivable - related parties | 7 | - | - | 3,370 | - |
| 1200 | Other receivables | | 916 | - | - | - |
| 1210 | Other receivables due from related parties | 7 | 289,237 | 4 | 541,975 | 7 |
| 1220 | Current tax assets | | 1,342 | - | 2,576 | - |
| 1410 | Prepayments | | 5,129 | - | 6,514 | - |
| 1470 | Other current assets | 8 | 50,098 | - | - | - |
| 11XX | **Total current assets** | | 629,325 | 8 | 657,925 | 8 |
| | **Non-current assets** | | | | | |
| 1510 | Financial assets at fair value through profit or loss - non-current | 6(2)(16) | - | - | 492 | - |
| 1517 | Financial assets at fair value through other comprehensive income - non-current | 6(3) | 7,356 | - | 14,394 | - |
| 1550 | Investments accounted for using equity method | 6(5) | 7,076,510 | 91 | 7,010,440 | 90 |
| 1600 | Property, plant and equipment | | 975 | - | 1,832 | - |
| 1840 | Deferred tax assets | 6(19) | 62,074 | 1 | 49,516 | 1 |
| 1980 | Other financial assets - non-current | 8 | 7,000 | - | 57,053 | 1 |
| 1990 | Other non-current assets | | 1,188 | - | 1,438 | - |
| 15XX | **Total non-current assets** | | 7,155,103 | 92 | 7,135,165 | 92 |
| 1XXX | **Total assets** | | $ 7,784,428 | 100 | $ 7,793,090 | 100 |

(Continued)

CHC HEALTHCARE GROUP
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2019 AND 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

| | Liabilities and Equity | Notes | December 31, 2019 Amount | % | December 31, 2018 Amount | % |
|---|---|---|---|---|---|---|
| | **Current liabilities** | | | | | |
| 2100 | Short-term borrowings | 6(6) | $ - | - | $ 180,000 | 3 |
| 2150 | Notes payable | | 595 | - | 1,464 | - |
| 2200 | Other payables | | 20,664 | - | 20,565 | - |
| 2300 | Other current liabilities | 6(7)(8) | 1,232,291 | 16 | 929 | - |
| 21XX | **Total current liabilities** | | 1,253,550 | 16 | 202,958 | 3 |
| | **Non-current liabilities** | | | | | |
| 2530 | Bonds payable | 6(7) | - | - | 1,177,035 | 15 |
| 2540 | Long-term borrowings | 6(8) and 8 | 1,368,000 | 18 | 1,440,000 | 18 |
| 2570 | Deferred tax liabilities | 6(19) | 734 | - | 734 | - |
| 25XX | **Total non-current liabilities** | | 1,368,734 | 18 | 2,617,769 | 33 |
| 2XXX | **Total liabilities** | | 2,622,284 | 34 | 2,820,727 | 36 |
| | **Equity** | | | | | |
| | **Share capital** | 6(11) | | | | |
| 3110 | Share capital - common stock | | 1,416,335 | 18 | 1,399,136 | 18 |
| | **Capital surplus** | 6(7)(10)(12) | | | | |
| 3200 | Capital surplus | | 2,981,939 | 38 | 2,930,253 | 38 |
| | **Retained earnings** | 6(13) | | | | |
| 3310 | Legal reserve | | 277,548 | 4 | 245,206 | 3 |
| 3320 | Special reserve | | 363,621 | 5 | 33,211 | - |
| 3350 | Unappropriated retained earnings | | 545,509 | 7 | 763,134 | 10 |
| | **Other equity** | 6(3) | | | | |
| 3400 | Other equity | | ( 387,852) | ( 5) | ( 363,621) | ( 4) |
| 3500 | **Treasury shares** | 6(11) | ( 34,956) | ( 1) | ( 34,956) | ( 1) |
| 3XXX | **Total equity** | | 5,162,144 | 66 | 4,972,363 | 64 |
| | **Significant contingent liabilities and unrecognised contract commitments** | 9 | | | | |
| 3X2X | **Total liabilities and equity** | | $ 7,784,428 | 100 | $ 7,793,090 | 100 |

The accompanying notes are an integral part of these parent company only financial statements.

CHC HEALTHCARE GROUP
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT FOR EARNINGS PER SHARE AMOUNTS)

| | Items | Notes | 2019 Amount | 2019 % | 2018 Amount | 2018 % |
|---|---|---|---|---|---|---|
| 4000 | **Operating revenue** | 6(14) and 7 | $ 503,625 | 100 | $ 435,545 | 100 |
| 5000 | **Operating costs** | 6(9)(10)(18) and 7 | ( 99,173) | ( 20) | ( 101,775) | ( 23) |
| 5900 | **Gross profit** | | 404,452 | 80 | 333,770 | 77 |
| | **Non-operating income and expenses** | | | | | |
| 7010 | Other income | 6(15) and 7 | 13,790 | 3 | 3,986 | 1 |
| 7020 | Other gains and losses | 6(2)(16) | 14,700 | 3 | ( 21,469) | ( 5) |
| 7050 | Finance costs | 6(17) | ( 50,328) | ( 10) | ( 42,188) | ( 10) |
| 7000 | **Total non-operating income and expenses** | | ( 21,838) | ( 4) | ( 59,671) | ( 14) |
| 7900 | **Profit before income tax** | | 382,614 | 76 | 274,099 | 63 |
| 7950 | Income tax benefit | 6(19) | 12,558 | 3 | 49,323 | 11 |
| 8200 | **Profit for the year** | | $ 395,172 | 79 | $ 323,422 | 74 |
| | **Other comprehensive income** | | | | | |
| | **Components of other comprehensive income that will not be reclassified to profit or loss** | | | | | |
| 8316 | Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income | 6(3) | ($ 7,038) | ( 2) | ($ 48,496) | ( 11) |
| 8330 | Share of other comprehensive income (loss) of subsidiary, associates and joint ventures accounted for using the equity method, components of other comprehensive income that will not be reclassified to profit or loss | | ( 1,512) | - | 5,890 | 1 |
| | **Components of other comprehensive income that will be reclassified to profit or loss** | | | | | |
| 8361 | Financial statements translation differences of foreign operations | | ( 15,713) | ( 3) | ( 8,676) | ( 2) |
| 8380 | Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss | | 40 | - | 347 | - |
| 8399 | Income tax related to components of other comprehensive income that will be reclassified to profit or loss | | ( 8) | - | ( 2,150) | - |
| 8300 | **Other comprehensive loss for the year** | | ($ 24,231) | ( 5) | ($ 53,085) | ( 12) |
| 8500 | **Total comprehensive income for the year** | | $ 370,941 | 74 | $ 270,337 | 62 |
| | **Earnings per share** | 6(20) | | | | |
| 9750 | Basic earnings per share | | $ 2.83 | | $ 2.32 | |
| 9850 | Diluted earnings per share | | $ 2.46 | | $ 2.02 | |

The accompanying notes are an integral part of these parent company only financial statements.

CHC HEALTHCARE GROUP
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

| | | Capital Reserves | | | | | Retained Earnings | | | Other Equity Interest | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Notes | Ordinary share | Share premium | Treasury share transactions | Employee share options | Others | Legal reserve | Special reserve | Unappropriated retained earnings | Financial statements translation differences of foreign operations | Unrealised gains (loss) on financial assets at fair value through other comprehensive income | Unrealised gains (losses) on available-for-sale financial assets | Treasury shares | Total equity |
| 2018 | | | | | | | | | | | | | | |
| Balance at January 1, 2018 | | $ 1,399,136 | $ 2,830,390 | $ 173 | $ 56,776 | $ 39,677 | $ 245,206 | $ 171,995 | $ 203,226 | ($ 18,758) | $ - | ($ 14,453) | $ - | $ 4,913,368 |
| Effects of retrospective application and restatement | | - | - | - | - | - | - | - | 251,607 | - | ( 291,778) | 14,453 | - | ( 25,718) |
| Balance at January 1 after adjustments | | 1,399,136 | 2,830,390 | 173 | 56,776 | 39,677 | 245,206 | 171,995 | 454,833 | ( 18,758) | ( 291,778) | - | - | 4,887,650 |
| Profit for the year | | - | - | - | - | - | - | - | 323,422 | - | - | - | - | 323,422 |
| Other comprehensive loss | | - | - | - | - | - | - | - | - | ( 10,479) | ( 42,606) | - | - | ( 53,085) |
| Total comprehensive income (loss) | | - | - | - | - | - | - | - | 323,422 | ( 10,479) | ( 42,606) | - | - | 270,337 |
| Appropriations of 2017 earnings | 6(13) | | | | | | | | | | | | | |
| Cash dividends | | - | - | - | - | - | - | - | ( 153,905) | - | - | - | - | ( 153,905) |
| Reversal of special reserve | | - | - | - | - | - | - | ( 138,784) | 138,784 | - | - | - | - | - |
| Compensation cost of employee stock options | 6(10) | - | - | - | 1,207 | - | - | - | - | - | - | - | - | 1,207 |
| Compensation cost of employee stock options of subsidiaries | | - | - | - | 2,030 | - | - | - | - | - | - | - | - | 2,030 |
| Expired employee stock options | | - | - | - | ( 7,372) | 7,372 | - | - | - | - | - | - | - | - |
| Purchase of treasury shares | 6(11) | - | - | - | - | - | - | - | - | - | - | - | ( 34,956) | ( 34,956) |
| Balance at December 31, 2018 | | $ 1,399,136 | $ 2,830,390 | $ 173 | $ 52,641 | $ 47,049 | $ 245,206 | $ 33,211 | $ 763,134 | ($ 29,237) | ($ 334,384) | $ - | ($ 34,956) | $ 4,972,363 |
| 2019 | | | | | | | | | | | | | | |
| Balance at January 1, 2019 | | $ 1,399,136 | $ 2,830,390 | $ 173 | $ 52,641 | $ 47,049 | $ 245,206 | $ 33,211 | $ 763,134 | ($ 29,237) | ($ 334,384) | $ - | ($ 34,956) | $ 4,972,363 |
| Profit for the year | | - | - | - | - | - | - | - | 395,172 | - | - | - | - | 395,172 |
| Other comprehensive loss | | - | - | - | - | - | - | - | - | ( 15,681) | ( 8,550) | - | - | ( 24,231) |
| Total comprehensive income (loss) | | - | - | - | - | - | - | - | 395,172 | ( 15,681) | ( 8,550) | - | - | 370,941 |
| Appropriations of 2018 earnings | 6(13) | | | | | | | | | | | | | |
| Legal reserve | | - | - | - | - | - | 32,342 | - | ( 32,342) | - | - | - | - | - |
| Special reserve | | - | - | - | - | - | - | 330,410 | ( 330,410) | - | - | - | - | - |
| Cash dividends | | - | - | - | - | - | - | - | ( 250,045) | - | - | - | - | ( 250,045) |
| Conversion of convertible bonds | 6(7)(11) | 7,809 | 22,883 | - | - | ( 779) | - | - | - | - | - | - | - | 29,913 |
| Exercise of employee stock options | 6(11) | 9,390 | 71,363 | - | ( 47,507) | - | - | - | - | - | - | - | - | 33,246 |
| Compensation cost of employee stock options | 6(10) | - | - | - | 2,134 | - | - | - | - | - | - | - | - | 2,134 |
| Compensation cost of employee stock options of subsidiaries | | - | - | - | 3,592 | - | - | - | - | - | - | - | - | 3,592 |
| Expired employee stock options | | - | - | - | ( 1,897) | 1,897 | - | - | - | - | - | - | - | - |
| Balance at December 31, 2019 | | $ 1,416,335 | $ 2,924,636 | $ 173 | $ 8,963 | $ 48,167 | $ 277,548 | $ 363,621 | $ 545,509 | ($ 44,918) | ($ 342,934) | $ - | ($ 34,956) | $ 5,162,144 |

Note: The employees' compensation were $0 and $140, and the directors' and supervisors' remuneration were $0 and $5,600 in 2017 and 2018, respectively, which had been deducted from net income for the years.

The accompanying notes are an integral part of these parent company only financial statements.

CHC HEALTHCARE GROUP
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

| | Notes | 2019 | 2018 |
|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit before tax | | $ 382,614 | $ 274,099 |
| Adjustments | | | |
| Adjustments to reconcile profit (loss) | | | |
| Depreciation charge | 6(18) | 1,150 | 1,164 |
| Amortisation expense | 6(18) | 518 | 583 |
| Net (gain) loss on financial assets or liabilities at fair value through profit or loss | 6(2)(16) | ( 17,403 ) | 21,586 |
| Interest expense | 6(17) | 37,971 | 26,333 |
| Interest income | 6(15) | ( 10,887 ) | ( 3,984 ) |
| Dividend income | 6(15) | ( 967 ) | - |
| Compensation cost of employee stock options | 6(10) | 2,134 | 1,207 |
| Share of profit of associates and joint ventures accounted for using equity method | 6(14) | ( 389,625 ) | ( 326,425 ) |
| Impairment loss on non-financial assets | 6(16) | 2,595 | - |
| Amortisation of discount on bonds payable | 6(17) | 12,357 | 15,855 |
| Changes in operating assets and liabilities | | | |
| Changes in operating assets | | | |
| Financial assets at fair value through profit or loss - current | | - | ( 74,900 ) |
| Accounts receivable - related parties, net | | 3,370 | ( 2,359 ) |
| Other receivables | | ( 916 ) | 446 |
| Prepayments | | 1,385 | ( 2,310 ) |
| Other non-current assets | | ( 268 ) | ( 109 ) |
| Changes in operating liabilities | | | |
| Notes payable | | ( 869 ) | 572 |
| Accounts payable | | - | ( 31 ) |
| Other payables | | 136 | 12,891 |
| Other payables to related parties | | - | ( 13,560 ) |
| Other current liabilities | | ( 109 ) | 14 |
| Cash inflow (outflow) generated from operations | | 23,186 | ( 68,928 ) |
| Interest received | | 9,625 | 3,232 |
| Dividends received | | 248,326 | 3,152 |
| Interest paid | | ( 38,008 ) | ( 26,191 ) |
| Income tax refund (paid) | | 1,234 | ( 393 ) |
| Net cash flows from (used in) operating activities | | 244,363 | ( 89,128 ) |

(Continued)

CHC HEALTHCARE GROUP
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

| | Notes | 2019 | 2018 |
|---|---|---|---|
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Acquisition of financial assets at amortised cost | 6(4) | ($ 2,998) | $ - |
| Decrease (increase) in other receivables due from related parties | | 254,000 | ( 420,000) |
| (Increase) decrease in other current assets | | ( 45) | 30,000 |
| Acquisition of investments accounted for using equity method | 7 | - | ( 739,503) |
| Proceeds from capital reduction of investments accounted for using equity method | 7 | 60,000 | 376,800 |
| Acquisition of property, plant and equipment | | ( 293) | - |
| Increase in other financial assets - non-current | | - | ( 3,251) |
| Net cash flows from (used in) investing activities | | 310,664 | ( 755,954) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| (Decrease) increase in short-term loans | 6(22) | ( 180,000) | 180,000 |
| Repayments of bonds | | - | ( 320,100) |
| Proceeds from long-term debt | 6(22) | - | 1,440,000 |
| Repayments of long-term debt | 6(22) | - | ( 765,000) |
| Payment of cash dividends | 6(13) | ( 250,045) | ( 153,905) |
| Exercise of employee stock options | | 33,246 | - |
| Payments to acquire treasury shares | 6(11) | - | ( 34,956) |
| Net cash flows (used in) from financing activities | | ( 396,799) | 346,039 |
| Increase (decrease) in cash and cash equivalents | | 158,228 | ( 499,043) |
| Cash and cash equivalents at beginning of year | | 50,008 | 549,051 |
| Cash and cash equivalents at end of year | | $ 208,236 | $ 50,008 |

The accompanying notes are an integral part of these parent company only financial statements.

REPRESENTATION LETTER

The entities that are required to be included in the combined financial statements of CHC Healthcare Group as of and for the year ended December 31, 2019, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard 10, “Consolidated Financial Statements.” In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, CHC Healthcare Group and Subsidiaries do not prepare a separate set of combined financial statements.

Very truly yours,

CHC HEALTHCARE GROUP

By

Pei-Lin Lee
Chairman

March 23, 2020

REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of CHC Healthcare Group

## *Opinion*

We have audited the accompanying consolidated balance sheets of CHC Healthcare Group and subsidiaries (the "Group") as at December 31, 2019 and 2018, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2019 and 2018, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

## *Basis for opinion*

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China ("ROC GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Professional Ethics for Certified Public Accountants in the Republic of China (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## *Key audit matters*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our

opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters on the consolidated financial statements for the year ended December 31, 2019 were as follows:

**Impairment assessment of goodwill**

Description

As of December 31, 2019, the Group generated goodwill of NT$150,617 thousand as a result of the merger with Shih-Lu Co., Ltd.

After identifying the smallest cash generating unit which can generate independent cash flows, the Group used the recoverable amount of each cash generating unit to assess whether goodwill may be impaired. Since the assumptions used by management to assess whether goodwill is impaired involve subjective judgement and have high uncertainty, we consider the impairment assessment of goodwill a key audit matter.

Refer to Note 4(21) for the accounting policy on goodwill impairment, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to goodwill impairment and Note 6(31) for related details.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

A. Obtained an understanding on how management identifies the objective evidence of goodwill impairment, taking into account certain factors in a consistent manner and ascertained whether the management uses reliable information.

B. Obtained the report on the valuation of the subsidiary issued by an expert appointed by the management and performed the following:

(1) Assessed the expert’s independence, objectiveness and competence by reviewing the expert’s qualification.

(2) Assessed whether the valuation model is reasonable based on our knowledge of the Group’s businesses and industry.

(3) Confirmed whether the expert uses the same future cash flows relative to the budget for the

next five years provided by the management.

(4) Checked whether the comparable assets adopted in appraisal report are consistent with the actual operations.

(5) Assessed whether the significant assumptions applied by the expert are relevant and reasonable and tested the mathematical accuracy.

**Impairment assessment of property, plant and equipment**

Description

Some of the Group's leasing businesses were not as profitable as expected due to fierce competition in the healthcare industry. The Group assesses the impairment based on the estimated recoverable amounts of leasing assets (shown as property, plant and equipment) where there is an indication that they are impaired. Given that the calculation of recoverable amounts requires significant accounting estimates relying on subjective judgement and uncertainty, we consider the impairment assessment of leasehold assets using the cash-generating units as a key audit matter.

Refer to Note 4(21) for the accounting policy on asset impairment and Note 5(2) for accounting estimates and assumption uncertainty of asset impairment.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

A. Obtained an understanding on how management identifies the objective evidence of impairment, taking into account certain factors in a consistent manner and ascertained whether the management uses reliable information.

B. Acquired the asset appraisal report issued by an expert appointed by the management and performed the following:

(1) Assessed the independence, objectiveness and competence by reviewing the expert's qualification.

(2) Assessed whether the valuation method is widely adopted and appropriate based on our knowledge of the Group's businesses and industry.

(3) Confirmed whether the replacement cost, comparative objects and the assets' use indicated on the appraisal report are consistent with the actual operations.

(4) Assessed whether the significant assumptions applied by the expert are relevant and reasonable and tested the mathematical accuracy.

## *Other matter – Parent company only financial reports*

We have audited and expressed an unqualified opinion on the parent company only financial statements of CHC Healthcare Group as at and for the years ended December 31, 2019 and 2018.

## *Responsibilities of management and those charged with governance for the consolidated financial statements*

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

## *Auditor's responsibilities for the audit of the consolidated financial statements*

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ROC GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ROC GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

A. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
E. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For and on behalf of PricewaterhouseCoopers, Taiwan
March 23, 2020

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The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

CHC HEALTHCARE GROUP AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2019 AND 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

| | Assets | Notes | December 31, 2019 Amount | % | December 31, 2018 Amount | % |
|---|---|---|---|---|---|---|
| | **Current assets** | | | | | |
| 1100 | Cash and cash equivalents | 6(1) | $ 1,245,235 | 11 | $ 1,209,636 | 11 |
| 1110 | Financial assets at fair value through profit or loss - current | 6(2)(25) | 71,369 | 1 | 53,482 | 1 |
| 1136 | Current financial assets at amortised cost | 6(4)(24) | 298,003 | 3 | - | - |
| 1140 | Contract assets - current | 6(23) and 7 | 46,464 | - | 40,959 | - |
| 1150 | Notes receivable, net | 6(5) and 8 | 56,562 | - | 44,838 | 1 |
| 1170 | Accounts receivable, net | 6(5) (11) | 507,614 | 5 | 501,782 | 5 |
| 1180 | Accounts receivable - related parties | 6(11) and 7 | 243,858 | 2 | 240,038 | 2 |
| 1200 | Other receivables | | 1,148 | - | 205 | - |
| 1210 | Other receivables due from related parties | 7 | 178,869 | 2 | 153,369 | 1 |
| 1220 | Current tax assets | | 2,493 | - | 3,671 | - |
| 130X | Inventories | 6(6)(9) | 439,674 | 4 | 489,977 | 5 |
| 1410 | Prepayments | 6(7)(9) | 363,010 | 3 | 459,705 | 4 |
| 1470 | Other current assets | 8 | 55,229 | - | 6,923 | - |
| 11XX | **Total current assets** | | 3,509,528 | 31 | 3,204,585 | 30 |
| | **Non-current assets** | | | | | |
| 1510 | Financial assets at fair value through profit or loss - non-current | 6(2)(25) | - | - | 492 | - |
| 1517 | Financial assets at fair value through other comprehensive income - non-current | 6(3) | 38,681 | - | 47,231 | - |
| 1560 | Non-current contract assets | 6(23) | 34,438 | - | - | - |
| 1550 | Investments accounted for using equity method | 6(8)(25) | 8,963 | - | 18,484 | - |
| 1600 | Property, plant and equipment | 6(9), 7 and 8 | 4,691,417 | 42 | 4,752,936 | 44 |
| 1755 | Right-of-use assets | 6(10) | 29,828 | - | - | - |
| 1760 | Investment property, net | 6(9)(12) and 8 | 1,210,388 | 11 | 1,194,580 | 11 |
| 1780 | Intangible assets | 6(31) | 159,151 | 1 | 161,746 | 1 |
| 1840 | Deferred tax assets | 6(28) | 84,751 | 1 | 68,298 | 1 |
| 1930 | Long-term notes and accounts receivable | 6(5)(11) | 174,040 | 2 | 117,678 | 1 |
| 1940 | Long-term notes and accounts receivable - related parties | 6(11) and 7 | 49,364 | 1 | 68,822 | 1 |
| 1980 | Other financial assets - non-current | 6(13) and 8 | 525,026 | 5 | 533,968 | 5 |
| 1990 | Other non-current assets | 6(14) | 689,750 | 6 | 678,915 | 6 |
| 15XX | **Total non-current assets** | | 7,695,797 | 69 | 7,643,150 | 70 |
| 1XXX | **Total assets** | | $ 11,205,325 | 100 | $ 10,847,735 | 100 |

(Continued)

CHC HEALTHCARE GROUP AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2019 AND 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

| | Liabilities and equity | Notes | December 31, 2019 Amount | % | December 31, 2018 Amount | % |
|---|---|---|---|---|---|---|
| | **Current liabilities** | | | | | |
| 2100 | Short-term borrowings | 6(15) and 8 | $ 471,591 | 4 | $ 686,932 | 6 |
| 2130 | Contract liabilities - current | 6(23) | 78,966 | 1 | 30,047 | - |
| 2150 | Notes payable | | 3,495 | - | 4,346 | - |
| 2170 | Accounts payable | | 219,813 | 2 | 204,951 | 2 |
| 2180 | Accounts payable - related parties | 7 | 136 | - | 4,562 | - |
| 2200 | Other payables | 6(9) | 168,774 | 1 | 149,934 | 2 |
| 2220 | Other payable - related parties | | 7 | - | - | - |
| 2230 | Current tax liabilities | | 67,742 | 1 | 64,063 | 1 |
| 2250 | Provisions for liabilities - current | | 18,798 | - | 10,685 | - |
| 2280 | Current lease liabilities | | 7,425 | - | - | - |
| 2300 | Other current liabilities | 6(16)(17),7 and 8 | 2,012,344 | 18 | 197,512 | 2 |
| 21XX | **Total current liabilities** | | 3,049,091 | 27 | 1,353,032 | 13 |
| | **Non-current liabilities** | | | | | |
| 2527 | Contract liabilities - non-current | 6(23) | 660,942 | 6 | 309,500 | 3 |
| 2530 | Bonds payable | 6(16) and 8 | - | - | 1,177,035 | 11 |
| 2540 | Long-term borrowings | 6(17) and 8 | 2,090,662 | 19 | 2,812,608 | 26 |
| 2550 | Provisions for liabilities - non-current | | 400 | - | 400 | - |
| 2570 | Deferred tax liabilities | 6(28) | 40,161 | 1 | 40,431 | - |
| 2580 | Non-current lease liabilities | | 22,809 | - | - | - |
| 2600 | Other non-current liabilities | | 23,921 | - | 21,210 | - |
| 25XX | **Total non-current liabilities** | | 2,838,895 | 26 | 4,361,184 | 40 |
| 2XXX | **Total liabilities** | | 5,887,986 | 53 | 5,714,216 | 53 |
| | **Equity attributable to owners of the parent** | | | | | |
| | **Share capital** | 6(16)(20) | | | | |
| 3110 | Share capital - common stock | | 1,416,335 | 13 | 1,399,136 | 13 |
| | **Capital surplus** | 6(16)(19)(21) | | | | |
| 3200 | Capital surplus | | 2,981,939 | 26 | 2,930,253 | 27 |
| | **Retained earnings** | 6(22) | | | | |
| 3310 | Legal reserve | | 277,548 | 2 | 245,206 | 2 |
| 3320 | Special reserve | | 363,621 | 3 | 33,211 | - |
| 3350 | Unappropriated retained earnings | | 545,509 | 5 | 763,134 | 7 |
| | **Other equity** | 6(3) | | | | |
| 3400 | Other equity | | ( 387,852) | ( 3) | ( 363,621) | ( 3) |
| 3500 | **Treasury shares** | 6(20) | ( 34,956) | - | ( 34,956) | - |
| 31XX | **Total equity attributable to owners of the parent** | | 5,162,144 | 46 | 4,972,363 | 46 |
| 36XX | **Non-controlling interest** | | 155,195 | 1 | 161,156 | 1 |
| 3XXX | **Total equity** | | 5,317,339 | 47 | 5,133,519 | 47 |
| | **Significant contingent liabilities and unrecognised contract commitments** | 9 | | | | |
| 3X2X | **Total liabilities and equity** | | $ 11,205,325 | 100 | $ 10,847,735 | 100 |

The accompanying notes are an integral part of these consolidated financial statements.

CHC HEALTHCARE GROUP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT FOR EARNINGS PER SHARE AMOUNTS)

| | Items | Notes | 2019 Amount | 2019 % | 2018 Amount | 2018 % |
|---|---|---|---|---|---|---|
| 4000 | **Operating revenue** | 6(5)(11)(12)(23)(30) and 7 | $ 2,950,052 | 100 | $ 2,507,466 | 100 |
| 5000 | **Operating costs** | 6(6)(10)(12)(18)(19)(27)(30) and 7 | ( 2,144,050) | ( 73) | ( 1,776,680) | ( 71) |
| 5950 | **Gross profit** | | 806,002 | 27 | 730,786 | 29 |
| | **Operating expenses** | 6(10)(18)(19)(27)(30) | | | | |
| 6100 | Selling expenses | | ( 124,041) | ( 4) | ( 124,613) | ( 5) |
| 6200 | General and administrative expenses | | ( 166,584) | ( 6) | ( 192,217) | ( 7) |
| 6300 | Research and development expenses | | ( 4,874) | - | ( 1,193) | - |
| 6450 | Gain on expected credit impairment loss | | 19,068 | 1 | 47,218 | 2 |
| 6000 | **Total operating expenses** | | ( 276,431) | ( 9) | ( 270,805) | ( 10) |
| 6900 | **Operating profit** | | 529,571 | 18 | 459,981 | 19 |
| | **Non-operating income and expenses** | | | | | |
| 7010 | Other income | 6(4)(11)(24) and 7 | 32,232 | 1 | 15,621 | - |
| 7020 | Other gains and losses | 6(2)(8)(9)(25)(31) and 7 | ( 5,233) | - | ( 20,840) | ( 1) |
| 7050 | Finance costs | 6(26) | ( 78,344) | ( 3) | ( 82,066) | ( 3) |
| 7060 | Share of loss of associates and joint ventures accounted for using equity method | 6(8) | ( 1,633) | - | ( 4,527) | - |
| 7000 | **Total non-operating income and expenses** | | ( 52,978) | ( 2) | ( 91,812) | ( 4) |
| 7900 | **Profit before income tax** | | 476,593 | 16 | 368,169 | 15 |
| 7950 | Income tax expense | 6(28) | ( 86,162) | ( 3) | ( 50,340) | ( 2) |
| 8200 | **Profit for the year** | | $ 390,431 | 13 | $ 317,829 | 13 |
| | **Other comprehensive income** | | | | | |
| | **Components of other comprehensive income that will not be reclassified to profit or loss** | | | | | |
| 8316 | Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income | 6(3) | ($ 8,550) | - | ($ 42,606) | ( 2) |
| | **Components of other comprehensive income that will be reclassified to profit or loss** | | | | | |
| 8361 | Financial statements translation differences of foreign operations | | ( 15,713) | ( 1) | ( 8,676) | - |
| 8370 | Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss | | 40 | - | 347 | - |
| 8399 | Income tax related to components of other comprehensive income that will be reclassified to profit or loss | 6(28) | ( 8) | - | ( 2,150) | - |
| 8300 | **Other comprehensive loss for the year** | | ($ 24,231) | ( 1) | ($ 53,085) | ( 2) |
| 8500 | **Total comprehensive income for the year** | | $ 366,200 | 12 | $ 264,744 | 11 |
| | **Profit attributable to:** | | | | | |
| 8610 | Owners of the parent | | $ 395,172 | 13 | $ 323,422 | 13 |
| 8620 | Non-controlling interest | | ($ 4,741) | - | ($ 5,593) | - |
| | **Comprehensive income attributable to:** | | | | | |
| 8710 | Owners of the parent | | $ 370,941 | 12 | $ 270,337 | 11 |
| 8720 | Non-controlling interest | | ($ 4,741) | - | ($ 5,593) | - |
| | **Earnings per share** | | | | | |
| 9750 | **Basic earnings per share** | 6(29) | $ | 2.83 | $ | 2.32 |
| 9850 | **Diluted earnings per share** | 6(29) | $ | 2.46 | $ | 2.02 |

The accompanying notes are an integral part of these consolidated financial statements.

CHC HEALTHCARE GROUP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

| | Notes | Equity attributable to owners of the parent | | | | | | | | | | | | | Non-controlling interest | Total equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Capital Reserves | | | | | Retained Earnings | | | Other Equity Interest | | | | | | |
| | | Ordinary share | Share premium | Treasury share transactions | Employee share options | Others | Legal reserve | Special reserve | Unappropriated retained earnings | Financial statements translation differences of foreign operations | Unrealised gains (loss) on financial assets at fair value through other comprehensive income | Unrealised gains (loss) on available-for-sale financial assets | Treasury shares | Total | | |
| 2018 | | | | | | | | | | | | | | | | |
| Balance at January 1, 2018 | | $ 1,399,136 | $ 2,830,390 | $ 173 | $ 56,776 | $ 39,677 | $ 245,206 | $ 171,995 | $ 203,226 | ($ 18,758) | $ - | ($ 14,453) | $ - | $ 4,913,368 | $ 1,069 | $ 4,914,437 |
| Effects of retrospective application and restatement | | - | - | - | - | - | - | - | 251,607 | - | ( 291,778) | 14,453 | - | ( 25,718) | - | ( 25,718) |
| Balance at January 1 after adjustments | | 1,399,136 | 2,830,390 | 173 | 56,776 | 39,677 | 245,206 | 171,995 | 454,833 | ( 18,758) | ( 291,778) | - | - | 4,887,650 | 1,069 | 4,888,719 |
| Consolidated net income | | - | - | - | - | - | - | - | 323,422 | - | - | - | - | 323,422 | ( 5,593) | 317,829 |
| Other comprehensive income (loss) | 6(3) | - | - | - | - | - | - | - | - | ( 10,479) | ( 42,606) | - | - | ( 53,085) | - | ( 53,085) |
| Total comprehensive income (loss) | | - | - | - | - | - | - | - | 323,422 | ( 10,479) | ( 42,606) | - | - | 270,337 | ( 5,593) | 264,744 |
| Appropriations of 2017 earnings | 6(22) | | | | | | | | | | | | | | | |
| Cash dividends | | - | - | - | - | - | - | - | ( 153,905) | - | - | - | - | ( 153,905) | - | ( 153,905) |
| Reversal of special reserve | | - | - | - | - | - | - | ( 138,784) | 138,784 | - | - | - | - | - | - | - |
| Compensation cost of employee stock options | 6(19) | - | - | - | 1,207 | - | - | - | - | - | - | - | - | 1,207 | - | 1,207 |
| Compensation cost of employee stock options of subsidiaries | 6(19) | - | - | - | 2,030 | - | - | - | - | - | - | - | - | 2,030 | - | 2,030 |
| Expired employee stock options | | - | - | - | ( 7,372) | 7,372 | - | - | - | - | - | - | - | - | - | - |
| Purchase of treasury shares | 6(20) | - | - | - | - | - | - | - | - | - | - | - | ( 34,956) | ( 34,956) | - | ( 34,956) |
| Non-controlling interest | | - | - | - | - | - | - | - | - | - | - | - | - | - | 165,680 | 165,680 |
| Balance at December 31, 2018 | | $ 1,399,136 | $ 2,830,390 | $ 173 | $ 52,641 | $ 47,049 | $ 245,206 | $ 33,211 | $ 763,134 | ($ 29,237) | ($ 334,384) | $ - | ($ 34,956) | $ 4,972,363 | $ 161,156 | $ 5,133,519 |
| 2019 | | | | | | | | | | | | | | | | |
| Balance at January 1, 2019 | | $ 1,399,136 | $ 2,830,390 | $ 173 | $ 52,641 | $ 47,049 | $ 245,206 | $ 33,211 | $ 763,134 | ($ 29,237) | ($ 334,384) | $ - | ($ 34,956) | $ 4,972,363 | $ 161,156 | $ 5,133,519 |
| Consolidated net income | | - | - | - | - | - | - | - | 395,172 | - | - | - | - | 395,172 | ( 4,741) | 390,431 |
| Other comprehensive income (loss) | 6(3) | - | - | - | - | - | - | - | - | ( 15,681) | ( 8,550) | - | - | ( 24,231) | - | ( 24,231) |
| Total comprehensive income (loss) | | - | - | - | - | - | - | - | 395,172 | ( 15,681) | ( 8,550) | - | - | 370,941 | ( 4,741) | 366,200 |
| Appropriations of 2018 earnings | 6(22) | | | | | | | | | | | | | | | |
| Legal reserve | | - | - | - | - | - | 32,342 | - | ( 32,342) | - | - | - | - | - | - | - |
| Special reserve | | - | - | - | - | - | - | 330,410 | ( 330,410) | - | - | - | - | - | - | - |
| Cash dividends | | - | - | - | - | - | - | - | ( 250,045) | - | - | - | - | ( 250,045) | - | ( 250,045) |
| Conversion of convertible bonds | 6(16)(20) | 7,809 | 22,883 | - | - | ( 779) | - | - | - | - | - | - | - | 29,913 | - | 29,913 |
| Exercise of employee stock options | 6(20) | 9,390 | 71,363 | - | ( 47,507) | - | - | - | - | - | - | - | - | 33,246 | - | 33,246 |
| Compensation cost of employee stock options | 6(19) | - | - | - | 2,134 | - | - | - | - | - | - | - | - | 2,134 | - | 2,134 |
| Compensation cost of employee stock options of subsidiaries | 6(19) | - | - | - | 3,592 | - | - | - | - | - | - | - | - | 3,592 | - | 3,592 |
| Expired employee stock options | | - | - | - | ( 1,897) | 1,897 | - | - | - | - | - | - | - | - | - | - |
| Non-controlling interest | | - | - | - | - | - | - | - | - | - | - | - | - | - | ( 1,220) | ( 1,220) |
| Balance at December 31, 2019 | | $ 1,416,335 | $ 2,924,636 | $ 173 | $ 8,963 | $ 48,167 | $ 277,548 | $ 363,621 | $ 545,509 | ($ 44,918) | ($ 342,934) | $ - | ($ 34,956) | $ 5,162,144 | $ 155,195 | $ 5,317,339 |

The accompanying notes are an integral part of these consolidated financial statements.

CHC HEALTHCARE GROUP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

| | Notes | 2019 | 2018 |
|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit before tax | | $ 476,593 | $ 368,169 |
| Adjustments | | | |
| Adjustments to reconcile profit (loss) | | | |
| Expected credit gain | | ( 19,068 ) | ( 47,218 ) |
| Depreciation charge | 6(9)(10)(12)(27) | 411,752 | 428,598 |
| Loss (gain) on disposal of property, plant and equipment | 6(25) | 3,142 | ( 279 ) |
| Interest expense | | 71,846 | 72,806 |
| Interest income | 6(24) | ( 11,696 ) | ( 8,250 ) |
| Dividend income | | ( 967 ) | - |
| Share of loss of associates and joint ventures accounted for using equity method | 6(8) | 1,633 | 4,527 |
| Net (gain) loss on disposal of investments accounted for using equity method | 6(8)(25) | ( 143 ) | 350 |
| (Gain) loss on financial assets or liabilities at fair value through profit or loss | 6(2)(25) | ( 17,403 ) | 21,586 |
| Amortisation of discount on bonds payable | 6(26) | 12,357 | 15,855 |
| Compensation cost of employee stock options | 6(19)(27) | 5,726 | 3,237 |
| Impairment loss on non-financial assets | 6(9)(25) | 12,595 | 1,350 |
| Changes in operating assets and liabilities | | | |
| Changes in operating assets | | | |
| Acquisition of financial assets at fair value through profit or loss | 6(2) | - | ( 74,900 ) |
| Contract assets - current | | ( 5,508 ) | ( 7,029 ) |
| Contract assets - non-current | | ( 34,438 ) | - |
| Notes and accounts receivable | | ( 54,847 ) | ( 70,932 ) |
| Accounts receivable - related parties | | 8,937 | 16,350 |
| Other receivables | | ( 943 ) | 1,732 |
| Other receivables - related parties | | ( 25,500 ) | ( 65,537 ) |
| Inventories | | ( 26,113 ) | ( 182,455 ) |
| Prepayments | | 96,680 | ( 111,055 ) |
| Other current assets | | 1,792 | ( 6,615 ) |
| Changes in operating liabilities | | | |
| Contract liabilities - current | | 394,698 | ( 10,274 ) |
| Notes and accounts payable | | 13,401 | 77,617 |
| Accounts payable - related parties | | ( 4,426 ) | ( 134 ) |
| Other payables | | 17,447 | 19,304 |
| Provisions for liabilities - current | | 8,113 | 933 |
| Refund liabilities | | 8,019 | 6,667 |
| Other current liabilities | | ( 1,861 ) | 4,946 |
| Provisions for liabilities - non-current | | - | ( 345 ) |
| Cash inflow generated from operations | | 1,341,818 | 459,004 |
| Dividends received during the year | | 967 | - |
| Interest paid during the year | | ( 66,855 ) | ( 67,535 ) |
| Interest received during the year | | 11,696 | 8,250 |
| Income tax paid | | ( 97,933 ) | ( 61,733 ) |
| Net cash flows from operating activities | | 1,189,693 | 337,986 |

(Continued)

CHC HEALTHCARE GROUP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

| | Notes | 2019 | 2018 |
|---|---|---|---|
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Acquisition of financial assets at amortised cost | 6(4) | ($ 298,003) | $ - |
| (Increase) decrease in other current assets | | ( 50,098) | 58,008 |
| Acquisition of investments accounted for using equity method | | - | ( 8,949) |
| Proceeds from disposal of investments accounted for using equity method | | 7,770 | - |
| Acquisition of property, plant and equipment | 6(9) | ( 340,939) | ( 361,966) |
| Capitalised interest of property, plant and equipment | 6(9) | ( 3,369) | ( 512) |
| Proceeds from disposal of property, plant and equipment | | 71,277 | 643 |
| Acquisition of investment property | 6(12) | ( 17,770) | ( 4,931) |
| Increase in refundable deposits | | ( 325,393) | ( 230,277) |
| Decrease in refundable deposits | | 261,373 | 206,138 |
| Decrease (increase) in other non-current financial assets | | 59,031 | ( 16,259) |
| (Increase) decrease in other non-current assets | | ( 3,511) | 12,666 |
| Capitalised interest from increase in other non-current assets | 6(9) | ( 7,324) | ( 8,064) |
| Net cash flows used in investing activities | | ( 646,956) | ( 353,503) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Increase in short-term loans | 6(33) | 4,568,609 | 2,762,046 |
| Decrease in short-term loans | 6(33) | ( 4,784,005) | ( 2,706,955) |
| Payments of lease liabilities | 6(33) | ( 6,799) | - |
| Proceeds from long-term debt | 6(33) | 196,500 | 2,274,803 |
| Repayments of long-term debt | 6(33) | ( 265,101) | ( 2,169,014) |
| Increase in guarantee deposits received | 6(33) | 16,401 | 6,206 |
| Decrease in guarantee deposits received | 6(33) | ( 12,258) | ( 13,449) |
| Increase in other non-current liabilities | | - | 1,675 |
| Decrease in other non-current liabilities | | ( 1,340) | - |
| Repayments of bonds | | - | ( 320,100) |
| Payment of cash dividends | | ( 250,045) | ( 153,905) |
| Exercise of employee stock options | 6(19) | 33,246 | - |
| Payments to acquire treasury shares | 6(20) | - | ( 34,956) |
| Change in non-controlling interest | | ( 1,220) | 165,680 |
| Net cash flows used in financing activities | | ( 506,012) | ( 187,969) |
| Effect of changes in foreign currency exchange rates on cash and cash equivalents | | ( 1,126) | ( 31,241) |
| Increase (decrease) in cash and cash equivalents | | 35,599 | ( 234,727) |
| Cash and cash equivalents at beginning of year | | 1,209,636 | 1,444,363 |
| Cash and cash equivalents at end of year | | $ 1,245,235 | $ 1,209,636 |

The accompanying notes are an integral part of these consolidated financial statements.

【Attachment 7】

# CHC Healthcare Group

## List of Director Candidates

| No. | Name | Education | Experience | Juristic person to be represented | Category of nomination | Were the continuous terms of service of independent directors no more than three terms each? | Current shareholdings (shares) |
|---|---|---|---|---|---|---|---|
| 1 | Princeton Healthcare Limited Representative: Pei-Lin, Lee | MBA, Pacific Western University<br>Department of Medical Imaging and Radiological Science, Central Taiwan University of Science and Technology (originally known as Department of Radiological Technology , ChungTai Junior College)<br>Honorary Doctorate Degree, Central Taiwan University of Science and Technology | Department of Medical Imaging (originally known as Department of Radiology), National Taiwan University Hospital | Princeton Healthcare Limited | Director | NA | 28,257,983 |
| 2 | Tien-Ying, Lee | School of Medicine, China Medical University<br>A Pass on Exams for Doctors Held by Ministry of Examination | Resident, Department of Medicine, Mackay Memorial Hospital<br>Chief Resident, Division of General Medicine / Division of Infectious Diseases, Mackay Memorial Hospital | - | Director | NA | 9,017,985 |
| 3 | Chun-Shung, Huang | School of Medicine, Kaohsiung Medical University (originally known as Kaohsiung Medical College)<br>A Pass on Exams for Doctors Held by Ministry of Examination<br>Specialist, Department of Orthopaedics | Chairman, Childhood Burn Foundation of The Republic of China<br>Chairman, Hospice Foundation of Taiwan<br>Director, Taiwan Medical Center Association<br>Director, Taiwan Orthopaedic Association<br>Superintendent, Mackay Memorial Hospital | - | Director | NA | 0 |

| No. | Name | Education | Experience | Juristic person to be represented | Category of nomination | Were the continuous terms of service of independent directors no more than three terms each? | Current shareholdings (shares) |
|---|---|---|---|---|---|---|---|
| | | | Chairman, Mackay Memorial Hospital<br>Superintendent, Jen Ching Memorial Hospital | | | | |
| 4 | Yen-Hsin Investment Ltd.<br>Representative: Yung-Shun, Chuang | EMBA, National Taiwan University | Chairman, AAEON Technology Inc. | Yen-Hsin Investment Ltd. | Director | NA | 177,262 |
| 5 | Gui-Duan, Chen | PhD in Economic Law, Graduate School, China University of Political Science and Law<br>Master, Graduate Institute of Public Finance, National Chengchi University<br>CPA License holder | Chair, Department of Accounting, Feng Chia University<br>Chair, Corporate Governance Research Center<br>Legislative assistant, Budget Center, Legislative Yuan, Republic of China (Taiwan)<br>Standing Directors, Taiwan CPA Association | - | Independent Director | No/<br>Considering the characteristics of the industry, the independent director has rich experience and professional competence in related industry, also he can make decision and offer advice from the perspective of an accountant. | 0 |
| 6 | Chang-Jian, Ho | School of Chinese Medicine, China Medical University (originally known as China Medical College)<br>A Pass on Exams for Doctors Held by Ministry of Examination<br>Certification Specialist, Department of Radiology<br>Certification Specialist, Department of Geriatrics and Gerontology | Resident / Chief Resident / Attending Physician / Director, Department of Radiology, Heping Fuyou Branch, Taipei City Hospital (originally known as Taipei Municipal Hoping Hospital)<br>Adjunct Director, Engineering Affairs Office, Heping Fuyou Branch, Taipei City Hospital (originally known as | - | Independent Director | No/<br>Considering the characteristics of the industry, the independent director has rich experience and professional competence in related industry, also he can | 0 |

| No. | Name | Education | Experience | Juristic person to be represented | Category of nomination | Were the continuous terms of service of independent directors no more than three terms each? | Current shareholdings (shares) |
|---|---|---|---|---|---|---|---|
| | | | Taipei Municipal Hoping Hospital)<br>Adjunct Attending Physician, Department of Medical Imaging (originally known as Department of Radiology), National Taiwan University Hospital | | | make decision and offer advice from the perspective of a physician. | |
| 7 | Geng-Wang, Liaw | Master, Department of Health Services Administration, China Medical University<br>School of Medicine, China Medical University<br>A Pass on Exams for Doctors Held by Ministry of Examination<br>Certification Specialist, Department of Emergency Medicine | Resident / Attending Physician, Department of Emergency Medicine, China Medical University Hospital<br>Resident, Medicine Department, Taichung Hospital, Ministry of Health and Welfare (originally known as Taichung Hospital)<br>Attending Physician, Department of Emergency Medicine, Taichung Tzu Chi Hospital, Buddhist Tzu Chi Medical Foundation | - | Independent Director | Yes | 0 |

【Attachment 8】

# CHC Healthcare Group

## Detail List of Director and Independent Director Candidates to be Released from Non-Competition Restrictions

| Candidates | Restricted position | Main business |
|---|---|---|
| Representative of juristic person director **Pei-Lin, Lee** | Chairman, Princeton Healthcare Limited | Investment |
| | Chairman, Meditron Group Limited | Investment |
| | Chairman, CHC Healthcare Group | Investment |
| | Chairman, AESolution Biomedical Co., Ltd. | Wholesale and retail sale of medical equipments |
| | Director, SMTH AG | Investment |
| | Director, Swissray Medical AG | Sale and maintenance of medical equipments |
| | Director, Swissray International Inc. | R&D, manufacture, sale and maintenance of medical equipments |
| | Director, He-Sheng Co., Ltd | Sale of medical equipments, medical management and technical services |
| | Director, Chien-Lin Enterprise Co., Ltd | Senior citizen's development |
| | Representative of juristic person director / Chairman, Swissray Global Healthcare Holding Ltd. | R&D, manufacture, sale, installation, maintenance and upgrade of digital radiography X-ray system |
| | Representative of juristic person director, Cheng-Hsin Biotechnology Co., Ltd | Management consulting services, retail sale of medical supplies, food, drugs and medicines |
| | Director / Vice Chairman, Dalian Neusoft Kangrui Jiuhe Medical Management Co., Ltd. | Medical management services |
| Director **Tien-Ying, Lee** | Director, CHC Healthcare Group | Investment |
| | Chairman, Butterfield Management Group Limited | Investment |
| | Chairman, SMTH AG | Investment |
| | Chairman, Swissray Medical AG | Sale and maintenance of medical equipments |
| | Chairman, Swissray International Inc. | R&D, manufacture, sale and maintenance of medical equipments |
| | Superintendent, YeeZen General Hospital | District teaching hospital |
| | Representative of juristic person director / General Manager, Swissray Asia Healthcare Co., Ltd. | R&D, sale and maintenance of medical equipments |
| | Representative of juristic person director / Chief Operating Officer, Swissray Global Healthcare Holding Ltd. | R&D, manufacture, sale, installation, maintenance and upgrade of digital radiography X-ray system |
| | Director, Swissray Healthcare Holding (H.K.) Limited | Investment |
| | Representative of juristic person director, Cheng-Hsin Biotechnology Co., Ltd | Management consulting services, retail sale of medical supplies, food, drugs and medicines |

| Candidates | Restricted position | Main business |
|---|---|---|
| Director<br>**Chun-Shung, Huang** | Honorary Physician and Consultant, Mackay Memorial Hospital | Medical center |
| | Attending Physician, Department of Orthopaedics, Changhua Christian Hospital | Medical center |
| | Head Consultant / Physician, Department of Orthopaedics, YeeZen General Hospital | District teaching hospital |
| Juristic person director<br>**Yen-Hsin Investment Ltd.** | Director, Feng-Hsin Venture Capital Co., Ltd. | Venture investment |
| Representative of juristic person director<br>**Yung-Shun, Chuang** | Representative of juristic person director / Chairman, Onyx Healthcare Inc. | Design, manufacture and sale of medical computers, sale of other parts and components |
| | Representative of juristic person director / Chairman, Onyx Healthcare (Shanghai) Inc. | Design, manufacture and sale of medical computers, sale of other parts and components |
| | Representative of juristic person director / Chairman, Yan-You Investment Inc. | Investment |
| | Chairman, Yen-Hsin Investment Ltd. | Investment |
| | Chairman, Fu-Li Investment Inc. | Investment |
| | Representative of juristic person director, I-Pao-Chih-Jen Co., Ltd. | Wholesale and retail sale of precision instruments |
| | Representative of juristic person director, Feng-Hsin Venture Capital Co., Ltd. | Venture investment |
| | Representative of juristic person director, Taipei Tech Star Venture Capital Co., Ltd. | Venture investment |
| Independent director<br>**Gui-Duan, Chen** | Director, Swancor Holding Co., LTD. | Investment |
| Independent director<br>**Chang-Jian, Ho** | Special Physician, Heping Fuyou Branch, Taipei City Hospital (originally known as Taipei Municipal Hoping Hospital) | Community hospital |
| Independent director<br>**Geng-Wang, Liaw** | Attending Physician, Department of Emergency Medicine / Chief Secretary, Superintendent's Office / Director, Planning and Public Relations Office, YeeZen General Hospital | District teaching hospital |