CHC Healthcare Group

Meeting Minutes for 2021 Annual Shareholders' Meeting

Date: Thursday, July 1, 2021 at 09:00 a.m.

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

Shareholders present: CHC's total outstanding shares are 156,284,855 shares (1,000,000 shares of treasury shares excluded). The shareholders and proxies of shareholders present in the meeting represent 93,241,364 shares, including 51,821,191 shares represented by shareholders participating through electronic means. The presence of the shareholders and proxies of shareholders account for 59.66% of the total of 156,284,855 outstanding shares (1,000,000 shares of treasury shares excluded) entitled to attend the Meeting.

Chair: Pei-Lin, Lee, Chairman

Minutes taker: Lee-Tin, Lin

Board members in attendance by video: Kuei-Tuan, Chen, Independent Director

1. Commencement: The aggregate shareholdings of the shareholders and proxies of shareholders present constitute a quorum. Chair of the Meeting calls the Meeting to order.

2. Chair's Address: Dear shareholders, thank you for visiting 2021 Annual Shareholders' Meeting of CHC. Let's proceed according to the agenda.

3. Matters for Report
   (1). 2020 business report: Please refer to Attachment 1
   (2). Audit committee's report on review of 2020 audited financial reports: Please refer to Attachment 2
   (3). To report the distribution of dividends and bonuses in cash of 2020

(4). To report the distribution of the compensations for employees and remunerations for directors of 2020

(5). To report the information of endorsements/guarantees in 2020: Please refer to Attachment 3

(6). To report the reasons for the invite subscription for the 4th issue of secured convertible corporate bonds as well as other relevant matters: Please refer to Attachment 4

(7). To report the status of the private placement of common shares approved by 2020 Annual Shareholders' Meeting

4. Matters for Ratification

(1). 2020 business report and financial statements

(Proposed by Board of Directors)

Explanation: (1). The Company's 2020 Parent Company Only Financial Statements and Consolidated Financial Statements had been reviewed by independent accountants Yu-Fang, Yen, and Pei-Lin, Tu of PricewaterhouseCoopers (PwC) Taiwan, together with the Company's 2020 Business Report, submitted to the audit committee for review and issuance of a written review report.

(2). For "2020 Business Report", "2020 Audit Committee's Review Report", "Report of Independent Accountants and 2020 Parent Company Only Financial Statements and Consolidated Financial Statements", please refer to Attachment 1, Attachment 2 and Attachment 5.

(3). Please ratify it.

Resolution: Voting result of the proposal is as follows: Total shares represented by the shareholders present at the time of voting are 93,241,364 shares. There are 91,858,058 votes in favor (including 50,438,885 votes exercised by electronic means), 3,955 votes against (including 3,955 votes exercised by electronic means), 0 vote invalid, 1,379,351 votes abstained (including 1,378,351 votes exercised by electronic means). Votes in favor account for 98.51% of total representation at the time of voting, which means the proposal has been approved.

(2). Proposal for 2020 earnings distribution

(Proposed by Board of Directors)

Explanation: (1). The Company's profit for the year 2020 is NT$ 366,388,930. After setting aside the legal reserve for NT$ 36,638,893, reversing the special reserve for NT$ 728,410 based on Article 41, paragraph 1 of "Securities and Exchange Act" and then adding unappropriated retained earnings at the beginning of the year 2020 for NT$ 200,494,338, the distributable unappropriated retained earnings for the year 2020 is NT$ 530,972,785. Proposal for earnings distribution is as follows:

CHC Healthcare Group

Table of 2020 Earnings Distribution

Item	Amount(NT$)	
	Subtotal	Total
Unappropriated retained earnings at the beginning of the year		200,494,338
Add: Profit for the year	366,388,930	
Deduct: Legal reserve	(36,638,893)	
Add: Reverse of special reserve	728,410	
Subtotal		330,478,447
Distributable unappropriated retained earnings for the year		530,972,785
Distribution items:		
Cash dividends (NT$2.01 per share)		313,648,149
Unappropriated retained earnings at the end of the year		217,324,636

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

(2). The proposal has been approved by the Company's 3rd audit committee's meeting of the 2nd term.

(3). 2020 earnings distribution is first distributed from earnings in 2020 which is distributable.

(4). Please ratify it.

Resolution: Voting result of the proposal is as follows: Total shares represented by the shareholders present at the time of voting are 93,241,364 shares. There are 91,978,150 votes in favor (including 50,558,977 votes exercised by electronic means), 5,875 votes against (including 5,875 votes exercised by electronic means), 0 vote invalid, 1,257,339 votes abstained (including 1,256,339 votes exercised by electronic means). Votes in favor account for 98.64% of total representation at the time of voting, which means the proposal has been approved.

5. Matters for Discussion

(1). Amendment to the Company's “Procedures Governing the Acquisition or Disposal of Assets”

(Proposed by Board of Directors)

Explanation: (1). The wording is revised as appropriate to meet the Company’s operational needs. For comparison table of revised articles, please refer to Attachment 6.

(2). The proposal has been approved by the Company’s 3rd audit committee’s meeting of the 2nd term.

(3). Please start discussion.

Resolution: Voting result of the proposal is as follows: Total shares represented by the shareholders present at the time of voting are 93,241,364 shares. There are 91,954,964 votes in favor (including 50,535,791 votes exercised by electronic means), 5,003 votes against (including 5,003 votes exercised by electronic means), 0 vote invalid, 1,281,397 votes abstained (including 1,280,397 votes exercised by electronic means). Votes in favor account for 98.62% of total representation at the time of voting, which means the proposal has been approved.

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

(Proposed by Board of Directors)

Explanation: (1). To enhance the 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 since the date resolved by the Meeting following 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 for 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.

D. The Company has not experienced any significant change in managerial control due to the introduction of a strategic investor through private placement or other factors in the previous year.

(2). The new private placement shares shall have the same rights and obligations as holders of common shares of the Company except for 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 apply to the competent

authority for retroactive handling of public issuance procedures for the private placement shares after three full years 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 3rd audit committee's meeting of the 2nd term.

(6). Please start discussion.

Resolution: Voting result of the proposal is as follows: Total shares represented by the shareholders present at the time of voting are 93,241,364 shares. There are 90,261,679 votes in favor (including 48,842,506 votes exercised by electronic means), 1,709,333 votes against (including 1,709,333 votes exercised by electronic means), 0 vote invalid, 1,270,352 votes abstained (including 1,269,352 votes exercised by electronic means). Votes in favor account for 96.80% of total representation at the time of voting, which means the proposal has been approved.

6. Extemporary Motions: None

7. Meeting Adjourned: At 09:21 a.m.

【Attachment 1】

CHC Healthcare Group
2020 Business Report

Dear Shareholders:

Thank you for your support and advice to CHC Healthcare Group, enabling the Group to have steady development under such severe macro-environment conditions. Despite the territorial impact of COVID-19 on the world, with the efforts of all employees, the Group has achieved a significant improvement on the gross margin and a double-digit net profit margin in 2020. The Group strongly believes the sustainable operation of a corporation required economic foundations and will continue the business expansion in the future, to create the best interests for the shareholders and employees.

1. 2020 business operation results

(1). 2020 business plan implementation

2020 consolidated operating revenue was NT$ 2,554,911 thousand, lower than NT$ 2,950,052 thousand reported in 2019, mainly due to the decline in the sales volume of equipment. 2020 profit for the year was NT$ 362,912 thousand, which decreased comparing with profit for the year NT$ 390,431 in 2019, mainly because of the increase in wages and salaries and depreciation charge. The consolidated operating results for the year 2020 are as follows:

Unit: NT$ Thousand

Item	2020
Operating revenue	2,554,911
Gross profit	830,710
Operating expenses	317,604
Operating profit	513,106
Profit before income tax	463,996
Profit for the year	362,912

(2). Budget execution

The Group did not disclose the 2020 financial forecast, so there is no need to disclose the budget execution.

(3). Revenue/expenditure and profitability

Item		2020	2019
Financial structure and solvency	Debt ratio (%)	48.02%	52.55%
	Current ratio (%)	330.86%	115.10%
Profitability	Return on total assets (%)	3.85%	4.23%
	Return on equity (%)	6.41%	7.47%
	Net profit margin (%)	14.20%	13.23%
	Basic earnings per share (NT$)	NT$2.53	NT$2.83

(4). R&D status

The Group is not in the manufacturing industry and therefore does not have a dedicated R&D department. However, since 2018, the Group has engaged in the “IROIP*[Note] (Integrated Radiation Oncology Information Platform) Development Program”, technology research and development programs supported by the Ministry of Economic Affairs, to build an information platform that can integrate the information regarding patient treatment in both Hospital Information System (HIS) and Oncology Information System (OIS). The program was completed in 2020, and the product developed has been officially launched to the market.

*Note: The product has been renamed as "Integrated Radiation Oncology Information System (iROIS)" due to marketing consideration.

2. 2021 business plan outline

(1). Product development strategy

The Group has long been committed to introducing high-end medical equipment and technologies to improve the quality of medical treatment at home. In recent years, the Group has further engaged in precision medicine and introduced the proton therapy system, MRI linear accelerator, etc., aimed at 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 the European Union and FDA marketing clearance of the United States, and already launched in three primary markets – Europe, the United States, and Japan. It is expected to benefit patients in need in Taiwan due to its positive effect on the rehabilitation of spinal cord injury and stroke.

In the future, in addition to maintaining a stable partnership with major international medical equipment manufacturers, the Group will actively recruit new products through various exhibitions to enrich the product line. Also, 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). Medical management service guideline

The Group has developed a full range of medical management services from medical site planning, design and construction, medical equipment installation and testing, division management and operation consulting, medical technician training, to equipment maintenance and subsequent upgrade services. The key for medical management service to be rooted in Taiwan and to be extended to the overseas market is that the Group has a professional technical team certified by the manufacturers. Instant and high-quality technical support together with flexible and innovative cooperation models helps the Group to form differentiated competitiveness, thereby strengthening the Group's relationship with both customers and suppliers. In the future, the Group will continue to train the technical team to extend the depth and breadth of medical management services to facilitate the business expansion.

(3). Overseas market operations

In China, a business model combined with sales and medical management services is adopted by the Group. In addition to introducing high-end medical equipment to make up for the lack of local medical resources, the Group has also established partnerships with several large medical institutions in China to help improve their medical management processes and increase hospital revenue. The Group will use the collaborative sites as demo sites to negotiate other projects subsequently, and meanwhile, learn about the trend of China's policy and market overview to provide more comprehensive and multifaceted integrated services.

In Southeast Asia, the Group has 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, the Group will continue to provide medical management services, aiming to help Southeast Asian countries improve medical quality and cultivate medical talents.

(4). Diversified expansion

The Group does pay attention to external environmental changes and market trends and has diversified its business to various fields taking the medical industry as a starting point to improve the overall health and well-being of human beings. Facing the advent of the big data era, the Group successfully developed iROIS, an application platform that connects HIS and OIS. Through horizontal information integration, it helps improve clinical operation efficiency and optimize operating procedures. In response to the aging trend, the Group has cooperated with Sakurajyuji Group in Japan to engage in Taiwan’s elderly care market, focusing on continuous care and advocating preventive medicine, hoping to improve the quality and dignity of elderly life in Taiwan. Sensing the rising awareness of safety and health, the Group decided to step into the radiation sterilization business and plan to introduce the IBA photon irradiation and electronic irradiation sterilization system from Belgian to lead Taiwan's sterilization industry towards safety, high efficiency, and low pollution.

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

【Attachment 2】

CHC Healthcare Group
2020 Audit Committee's Review Report

TO: 2021 Annual Shareholders' Meeting of CHC Healthcare Group

The Board of Directors reports 2020 Parent Company Only Financial Statements and Consolidated Financial Statements, and were audited by independent accountants, Yu-Fang, Yen and Pei-Lin, Tu of PricewaterhouseCoopers (PwC) Taiwan, which they considered to present a fair view of the Company's financial position, operating results and cash flows. 2020 parent company only financial statements and consolidated financial statements, together with 2020 business report and proposal for 2020 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 2020 Audit Committee's Review Report. Please review.

CHC Healthcare Group

By
Kuei-Tuan, Chen
Convener of audit committee

March 19, 2021

【Attachment 3】

CHC Healthcare Group

Information of Endorsements/Guarantees in 2020

The Company's information of endorsements/guarantees by December 31, 2020:

1. Counterparty: Five 100% owned subsidiaries
2. Total amount of endorsements/guarantees: NT$ 3,417,480 thousand
3. Purpose of endorsements/guarantees: For subsidiaries' financing needs
4. According to the net worth on December 31, 2020, the ceiling on total amount of the Company's endorsements/guarantees is NT$ 17,542,309 thousand and the ceiling on amount of the Company's endorsements/guarantees to any individual entity is NT$ 11,694,873 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.	1,562,000
2	Tomorrow Medical System Co., Ltd.	1,520,000
3	Chiu Ho Scientific Co., Ltd.	178,480
4	E Century Health Care Corporation	57,000
5	Hsing-Yeh Biotechnology Co., Ltd.	100,000
Total Amount		3,417,480

5. Subsidiaries' information of endorsements/guarantees by December 31, 2020:

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	CHC(Guangzhou) Medical Technology Co., Ltd.	43,770
Total Amount			1,447,170

【Attachment 4】

CHC Healthcare Group

Report of Reasons for the Invite Subscription for the 4th Issue of Secured Convertible Corporate Bonds and Other Relevant Matters

For the payment of 3rd issue of secured convertible corporate bonds (41643) and debt repayment, after resolution by the Company's audit committee and the Board of Director on June 02, 2020 and obtaining the approval by Financial Supervisory Commission R.O.C (Taiwan) in Financial Supervisory Securities Auditing Document No. 1090347185, June 30, 2020, the Company issued 15,000 units of the 4th issue of secured convertible corporate bonds (41644). The face value of each unit is NT$ 100,000 and will be issue at 101% of par value. The issue period is five year and interest rate is 0%. Total amount of this time's capital raising collected NT$ 1,515,000,000.

The date of completion of the offering for the 4th issue of secured convertible corporate bonds was August 4, 2020. All amount raised was fully executed in Q4 2020.

【Attachment 5】

INDEPENDENT AUDITORS' REPORT 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, 2020 and 2019, 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 at December 31, 2020 and 2019, 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. Our responsibilities under those standards are further described in the *Auditors' 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 Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 Company's 2020 parent company only financial statements. 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 for the Company's 2020 parent company only financial statements are stated 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, 2020, 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$4,257,012 thousand and NT$166,415 thousand, respectively. Because Chiu Ho Medical System Group's investments accounted for using equity method constituted 48% of the Company's total assets as of December 31, 2020, and investment income constituted 45% of the Company's profit before tax for the year ended December 31, 2020, 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, 2020 are stated as follows:

Impairment assessment of goodwill

Description

As of December 31, 2020, 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 arising from business combination may be impaired. Since the assumptions used by management to assess whether goodwill is impaired involve subjective judgement and have high uncertainty, we considered the impairment assessment of goodwill as a key audit matter.

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

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 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 future years provided by the management.

(4) Checked whether the comparable assets adopted in the 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 considered the impairment assessment of leasehold assets using the cash-generating units as a key audit matter.

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 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.

Auditors' 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 auditors' 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 the generally accepted auditing standards in the Republic of China 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 the generally accepted auditing standards in the Republic of China, 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 auditors' 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 auditors' 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 auditors' 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 19, 2021

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 independent auditors' report 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, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Assets	Notes	December 31, 2020 Amount	%	December 31, 2019 Amount	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 145,791	2	$ 208,236	2
1110	Financial assets at fair value through profit or loss - current	6(2)(18)	106,000	1	71,369	1
1136	Current financial assets at amortised cost	6(4)(16) and 8	-	-	53,096	1
1200	Other receivables		500	-	916	-
1210	Other receivables due from related parties	7	442,521	5	289,237	4
1220	Current tax assets		952	-	1,342	-
1410	Prepayments		7,696	-	5,129	-
11XX	**Total current assets**		703,460	8	629,325	8
	Non-current assets					
1510	Financial assets at fair value through profit or loss - non-current	6(2)(18)	600	-	-	-
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	16,740	-	7,356	-
1550	Investments accounted for using equity method	6(5)	8,039,186	91	7,076,510	91
1600	Property, plant and equipment		601	-	975	-
1755	Right-of-use assets	6(6) and 7	16,960	-	-	-
1840	Deferred tax assets	6(21)	61,504	1	62,074	1
1990	Other non-current assets	8	6,640	-	8,188	-
15XX	**Total non-current assets**		8,142,231	92	7,155,103	92
1XXX	**Total assets**		$ 8,845,691	100	$ 7,784,428	100

(Continued)

CHC HEALTHCARE GROUP
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Liabilities and Equity	Notes	December 31, 2020 Amount	%	December 31, 2019 Amount	%
	Current liabilities					
2100	Short-term borrowings	6(7)	$ 100,000	1	$ -	-
2150	Notes payable		135	-	595	-
2200	Other payables		20,919	-	20,664	-
2230	Current tax liabilities		1,765	-	-	-
2280	Current lease liabilities	7	6,966	-	-	-
2300	Other current liabilities	6(8)(9)	144,846	2	1,232,291	16
21XX	**Total current liabilities**		274,631	3	1,253,550	16
	Non-current liabilities					
2530	Bonds payable	6(8)	1,488,808	17	-	-
2540	Long-term borrowings	6(9) and 8	1,224,000	14	1,368,000	18
2570	Deferred tax liabilities	6(21)	734	-	734	-
2580	Non-current lease liabilities	7	10,081	-	-	-
25XX	**Total non-current liabilities**		2,723,623	31	1,368,734	18
2XXX	**Total liabilities**		2,998,254	34	2,622,284	34
	Equity					
	Share capital	6(12)				
3110	Common stock		1,570,439	18	1,416,335	18
	Capital surplus	6(8)(11)(13)				
3200	Capital surplus		3,427,278	39	2,981,939	38
	Retained earnings	6(14)				
3310	Legal reserve		317,065	4	277,548	4
3320	Special reserve		387,852	4	363,621	5
3350	Unappropriated retained earnings		566,883	6	545,509	7
	Other equity	6(3)				
3400	Other equity		(387,124)	(5)	(387,852)	(5)
3500	**Treasury shares**	6(12)	(34,956)	-	(34,956)	(1)
3XXX	**Total equity**		5,847,437	66	5,162,144	66
	Significant contingent liabilities and unrecognised contract commitments	9				
3X2X	**Total liabilities and equity**		$ 8,845,691	100	$ 7,784,428	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
YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT FOR EARNINGS PER SHARE AMOUNTS)

	Items	Notes	2020 Amount	2020 %	2019 Amount	2019 %
4000	**Operating revenue**	6(15) and 7	$ 500,575	100	$ 503,625	100
5000	**Operating costs**	6(10)(11)(20) and 7	(109,029)	(22)	(99,173)	(20)
5900	**Gross profit**		391,546	78	404,452	80
	Non-operating income and expenses					
7100	Interest income	6(16) and 7	9,798	2	10,887	2
7010	Other income	6(17)	1,027	-	2,903	1
7020	Other gains and losses	6(2)(18)	22,195	5	14,700	3
7050	Finance costs	6(19) and 7	(55,048)	(11)	(50,328)	(10)
7000	**Total non-operating income and expenses**		(22,028)	(4)	(21,838)	(4)
7900	**Profit before income tax**		369,518	74	382,614	76
7950	Income tax (expense) benefit	6(21)	(3,129)	(1)	12,558	3
8200	**Profit for the year**		$ 366,389	73	$ 395,172	79
	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)	$ 9,384	2	($ 7,038)	(2)
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		(12,284)	(3)	(1,512)	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		3,681	1	(15,713)	(3)
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		(53)	-	32	-
8300	**Other comprehensive income (loss) for the year**		$ 728	-	($ 24,231)	(5)
8500	**Total comprehensive income for the year**		$ 367,117	73	$ 370,941	74
	Earnings per share					
9750	Basic earnings per share	6(22)	$	2.53	$	2.83
9850	Diluted earnings per share	6(22)	$	1.95	$	2.46

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
YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		Capital Reserves					Retained Earnings			Other Equity Interest			
	Notes	Common stock	Capital surplus	Treasury stock 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	Treasury shares	Total equity
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(14)												
Legal reserve		-	-	-	-	-	32,342	-	(32,342)	-	-	-	-
Special reserve		-	-	-	-	-	-	330,410	(330,410)	-	-	-	-
Cash dividends		-	-	-	-	-	-	-	(250,045)	-	-	-	(250,045)
Conversion of convertible bonds	6(8)(12)	7,809	22,883	-	-	(779)	-	-	-	-	-	-	29,913
Exercise of employee stock options	6(12)	9,390	71,363	-	(47,507)	-	-	-	-	-	-	-	33,246
Compensation cost of employee stock options	6(11)	-	-	-	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
2020													
Balance at January 1, 2020		$ 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
Profit for the year		-	-	-	-	-	-	-	366,389	-	-	-	366,389
Other comprehensive income (loss)		-	-	-	-	-	-	-	-	3,628	(2,900)	-	728
Total comprehensive income (loss)		-	-	-	-	-	-	-	366,389	3,628	(2,900)	-	367,117
Appropriations of 2019 earnings	6(14)												
Legal reserve		-	-	-	-	-	39,517	-	(39,517)	-	-	-	-
Special reserve		-	-	-	-	-	-	24,231	(24,231)	-	-	-	-
Cash dividends		-	-	-	-	-	-	-	(281,267)	-	-	-	(281,267)
Conversion of convertible bonds	6(8)(12)	151,509	424,330	-	-	(14,446)	-	-	-	-	-	-	561,393
Issuance of convertible bonds	6(8)	-	-	-	-	25,350	-	-	-	-	-	-	25,350
Exercise of employee stock options	6(12)	2,595	7,840	-	(2,195)	-	-	-	-	-	-	-	8,240
Compensation cost of employee stock options	6(11)	-	-	-	1,482	-	-	-	-	-	-	-	1,482
Compensation cost of employee stock options of subsidiaries		-	-	-	2,978	-	-	-	-	-	-	-	2,978
Expired employee stock options		-	-	-	(74)	74	-	-	-	-	-	-	-
Balance at December 31, 2020		$ 1,570,439	$ 3,356,806	$ 173	$ 11,154	$ 59,145	$ 317,065	$ 387,852	$ 566,883	($ 41,290)	($ 345,834)	($ 34,956)	$ 5,847,437

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

CHC HEALTHCARE GROUP
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 369,518	$ 382,614
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation charge	6(20)	4,844	1,150
Amortisation charge	6(20)	457	518
Gain on financial assets or liabilities at fair value through profit or loss	6(2)(18)	(26,738)	(17,403)
Interest expense	6(19)	41,126	37,971
Interest income	6(16)	(9,798)	(10,887)
Dividend income	6(17)	(1,015)	(967)
Compensation cost of employee stock options	6(11)	1,482	2,134
Share of profit of associates and joint ventures accounted for using equity method	6(15)	(365,446)	(389,625)
Impairment loss on non-financial assets	6(18)	-	2,595
Amortisation of discount on bonds payable	6(19)	13,922	12,357
Changes in operating assets and liabilities			
Changes in operating assets			
Acquisition of financial assets at fair value through profit or loss		(7,463)	-
Accounts receivable - related parties		-	3,370
Other receivables		(1,368)	(916)
Prepayments		(2,567)	1,385
Other non-current assets		-	(268)
Changes in operating liabilities			
Notes payable		(460)	(869)
Other payables		185	136
Other current liabilities		26	(109)
Cash inflow generated from operations		16,705	23,186
Interest received during the year		9,798	9,625
Dividends received during the year		263,008	248,326
Interest paid during the year		(41,056)	(38,008)
Income tax (paid) refund		(403)	1,234
Net cash flows from operating activities		248,052	244,363
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at amortised cost		-	(3,043)
Proceeds from disposal of financial assets at amortised cost		53,096	-
(Increase) decrease in other receivables due from related parties		(151,000)	254,000
Acquisition of investments accounted for using equity method	7	(935,400)	-
Proceeds from capital reduction of investments accounted for using equity method	7	70,000	60,000
Acquisition of property, plant and equipment		(400)	(293)
Proceeds from disposal of property, plant and equipment	7	23	-
Decrease in refundable deposits		392	-
Decrease in other non-current assets		700	-
Net cash flows (used in) from investing activities		(962,589)	310,664
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in short-term loans	6(23)	-	(180,000)
Increase in short-term loans	6(23)	100,000	-
Repayments of lease liabilities	6(23)	(4,007)	-
Proceeds from issuance of bonds	6(8)	1,515,000	-
Repayments of bonds	6(8)	(607,600)	-
Issuance cost of bonds payable		(6,274)	-
Repayments of long-term debt	6(23)	(72,000)	-
Exercise of employee stock options		8,240	33,246
Payment of cash dividends	6(14)	(281,267)	(250,045)
Net cash flows from financing activities		652,092	396,799
(Decrease) increase in cash and cash equivalents		(62,445)	158,228
Cash and cash equivalents at beginning of year		208,236	50,008
Cash and cash equivalents at end of year		$ 145,791	$ 208,236

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, 2020, 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 19, 2021

INDEPENDENT AUDITORS' REPORT 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, 2020 and 2019, 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, 2020 and 2019, 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. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 Group's 2020 consolidated financial statements. 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 for the Group's 2020 consolidated financial statements are stated as follows:

Impairment assessment of goodwill

Description

As of December 31, 2020, 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 judgment and have high uncertainty, we considered the impairment assessment of goodwill a key audit matter.

Refer to Note 4(20) 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(30) 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 future 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 judgment and uncertainty, we considered the impairment assessment of leasehold assets using the cash-generating units as a key audit matter.

Refer to Note 4(20) 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, 2020 and 2019.

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.

Auditors' 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 auditors' 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 the generally accepted auditing standards in the Republic of China 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 the generally accepted auditing standards in the Republic of China, 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 auditors' 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 auditors' 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 auditors' 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 19, 2021

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 independent auditors' report 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, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Assets	Notes	December 31, 2020 Amount	%	December 31, 2019 Amount	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 1,380,522	12	$ 1,245,235	11
1110	Financial assets at fair value through profit or loss - current	6(2)(25)	106,000	1	71,369	1
1136	Current financial assets at amortised cost	6(4)(23) and 8	287,540	2	348,101	3
1140	Contract assets - current	6(22)	38,177	-	46,464	-
1150	Notes receivable, net	6(5)	35,756	-	56,562	-
1170	Accounts receivable, net	6(5)	482,621	4	507,614	5
1180	Accounts receivable - related parties	7	228,448	2	243,858	2
1200	Other receivables		1,153	-	1,148	-
1210	Other receivables due from related parties	7	173,869	2	178,869	2
1220	Current tax assets		2,123	-	2,493	-
130X	Inventories	6(6)(9)	313,692	3	439,674	4
1410	Prepayments	6(7) and 7	433,600	4	363,010	3
1470	Other current assets		1,728	-	5,131	-
11XX	**Total current assets**		3,485,229	30	3,509,528	31
	Non-current assets					
1510	Financial assets at fair value through profit or loss - non-current	6(2)	600	-	-	-
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	35,781	-	38,681	-
1535	Non-current financial assets at amortised cost	6(4)(23) and 8	240,885	2	246,358	2
1560	Non-current contract assets	6(22)	58,371	1	34,438	-
1550	Investments accounted for using equity method	6(8)(25)	-	-	8,963	-
1600	Property, plant and equipment	6(9)(12) and 8	5,382,011	47	4,691,417	42
1755	Right-of-use assets	6(10)	73,452	1	29,828	-
1760	Investment property, net	6(9)(12) and 8	1,463,155	13	1,210,388	11
1780	Intangible assets	6(30)	159,151	1	159,151	1
1840	Deferred tax assets	6(28)	88,383	1	84,751	1
1930	Long-term notes and accounts receivable	6(5)	154,824	1	174,040	2
1940	Long-term notes and accounts receivable - related parties	7	36,406	-	49,364	1
1990	Other non-current assets	6(9)(13) and 8	365,573	3	968,418	9
15XX	**Total non-current assets**		8,058,592	70	7,695,797	69
1XXX	**Total assets**		$ 11,543,821	100	$ 11,205,325	100

(Continued)

CHC HEALTHCARE GROUP AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Liabilities and equity	Notes	December 31, 2020 Amount	%	December 31, 2019 Amount	%
	Current liabilities					
2100	Short-term borrowings	6(14) and 8	$ 190,234	2	$ 471,591	4
2130	Contract liabilities - current	6(22)	152,413	1	78,966	1
2150	Notes payable		2,417	-	3,495	-
2170	Accounts payable		152,900	1	219,813	2
2180	Accounts payable - related parties	7	-	-	136	-
2200	Other payables	6(9)	101,262	1	168,781	1
2230	Current tax liabilities		92,550	1	67,742	1
2250	Provisions for liabilities - current		22,021	-	18,798	-
2280	Current lease liabilities		10,788	-	7,425	-
2300	Other current liabilities	6(15)(16),7 and 8	328,801	3	2,012,344	18
21XX	**Total current liabilities**		1,053,386	9	3,049,091	27
	Non-current liabilities					
2527	Contract liabilities - non-current	6(22)	636,740	6	660,942	6
2530	Bonds payable	6(15) and 8	1,488,808	13	-	-
2540	Long-term borrowings	6(16) and 8	2,227,892	19	2,090,662	19
2550	Provisions for liabilities - non-current	6(9)	12,858	-	400	-
2570	Deferred tax liabilities	6(28)	40,303	-	40,161	1
2580	Non-current lease liabilities		63,542	1	22,809	-
2600	Other non-current liabilities		20,291	-	23,921	-
25XX	**Total non-current liabilities**		4,490,434	39	2,838,895	26
2XXX	**Total liabilities**		5,543,820	48	5,887,986	53
	Equity attributable to owners of the parent					
	Share capital	6(15)(18)(19)				
3110	Common stock		1,570,439	14	1,416,335	13
	Capital surplus	6(15)(18)(20)				
3200	Capital surplus		3,427,278	29	2,981,939	26
	Retained earnings	6(21)				
3310	Legal reserve		317,065	3	277,548	2
3320	Special reserve		387,852	3	363,621	3
3350	Unappropriated retained earnings		566,883	5	545,509	5
	Other equity	6(3)				
3400	Other equity		(387,124)	(3)	(387,852)	(3)
3500	**Treasury shares**	6(19)	(34,956)	-	(34,956)	-
31XX	**Total equity attributable to owners of the parent**		5,847,437	51	5,162,144	46
36XX	**Non-controlling interest**		152,564	1	155,195	1
3XXX	**Total equity**		6,000,001	52	5,317,339	47
	Significant contingent liabilities and unrecognised contract commitments	9				
3X2X	**Total liabilities and equity**		$ 11,543,821	100	$ 11,205,325	100

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

CHC HEALTHCARE GROUP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT FOR EARNINGS PER SHARE AMOUNTS)

	Items	Notes	2020 Amount	2020 %	2019 Amount	2019 %
4000	**Operating revenue**	6(5)(11)(12)(22) and 7	$ 2,554,911	100	$ 2,950,052	100
5000	**Operating costs**	6(6)(10)(17)(18)(27) and 7	(1,724,201)	(68)	(2,144,050)	(73)
5950	**Gross profit**		830,710	32	806,002	27
	Operating expenses	6(10)(17)(18)(27)				
6100	Selling expenses		(118,774)	(5)	(124,041)	(4)
6200	General and administrative expenses		(191,688)	(7)	(166,584)	(6)
6300	Research and development expenses		(6,252)	-	(4,874)	-
6450	Gain on expected credit impairment loss		(890)	-	19,068	1
6000	**Total operating expenses**		(317,604)	(12)	(276,431)	(9)
6900	**Operating profit**		513,106	20	529,571	18
	Non-operating income and expenses					
7100	Interest income	6(4)(23) and 7	12,049	1	11,696	-
7010	Other income	6(11)(24)	10,888	-	20,536	1
7020	Other gains and losses	6(2)(8)(9)(25)	6,437	-	(5,233)	-
7050	Finance costs	6(26)	(78,208)	(3)	(78,344)	(3)
7060	Share of loss of associates and joint ventures accounted for using equity method	6(8)	(276)	-	(1,633)	-
7000	**Total non-operating income and expenses**		(49,110)	(2)	(52,978)	(2)
7900	**Profit before income tax**		463,996	18	476,593	16
7950	Income tax expense	6(28)	(101,084)	(4)	(86,162)	(3)
8200	**Profit for the year**		$ 362,912	14	$ 390,431	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)	($ 2,900)	-	($ 8,550)	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		4,461	-	(16,933)	(1)
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	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(28)	13	-	(8)	-
8300	**Other comprehensive loss for the year**		$ 1,574	-	($ 25,451)	(1)
8500	**Total comprehensive income for the year**		$ 364,486	14	$ 364,980	12
	Profit attributable to:					
8610	Owners of the parent		$ 366,389	14	$ 395,172	13
8620	Non-controlling interest		($ 3,477)	-	($ 4,741)	-
	Comprehensive income attributable to:					
8710	Owners of the parent		$ 367,117	14	$ 370,941	12
8720	Non-controlling interest		($ 2,631)	-	($ 5,961)	-
	Earnings per share					
9750	**Basic earnings per share**	6(29)	$	2.53	$	2.83
9850	**Diluted earnings per share**	6(29)	$	1.95	$	2.46

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

CHC HEALTHCARE GROUP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		Equity attributable to owners of the parent													
		Capital Reserves					Retained Earnings			Other Equity Interest					
	Notes	Common stock	Capital surplus	Treasury stock transactions	Employee stock 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	Treasury stocks	Total	Non-controlling interest	Total equity
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)		-	-	-	-	-	-	-	-	(15,681)	(8,550)	-	(24,231)	(1,220)	(25,451)
Total comprehensive income (loss)		-	-	-	-	-	-	-	395,172	(15,681)	(8,550)	-	370,941	(5,961)	364,980
Appropriations of 2018 earnings	6(21)														
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(15)(19)	7,809	22,883	-	-	(779)	-	-	-	-	-	-	29,913	-	29,913
Exercise of employee stock options	6(18)(19)	9,390	71,363	-	(47,507)	-	-	-	-	-	-	-	33,246	-	33,246
Compensation cost of employee stock options	6(18)	-	-	-	2,134	-	-	-	-	-	-	-	2,134	-	2,134
Compensation cost of employee stock options of subsidiaries	6(18)	-	-	-	3,592	-	-	-	-	-	-	-	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	$ 155,195	$ 5,317,339
2020															
Balance at January 1, 2020		$ 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
Consolidated net income		-	-	-	-	-	-	-	366,389	-	-	-	366,389	(3,477)	362,912
Other comprehensive income (loss)		-	-	-	-	-	-	-	-	3,628	(2,900)	-	728	846	1,574
Total comprehensive income (loss)		-	-	-	-	-	-	-	366,389	3,628	(2,900)	-	367,117	(2,631)	364,486
Appropriations of 2019 earnings	6(21)														
Legal reserve		-	-	-	-	-	39,517	-	(39,517)	-	-	-	-	-	-
Special reserve		-	-	-	-	-	-	24,231	(24,231)	-	-	-	-	-	-
Cash dividends		-	-	-	-	-	-	-	(281,267)	-	-	-	(281,267)	-	(281,267)
Conversion of convertible bonds	6(15)(19)	151,509	424,330	-	-	(14,446)	-	-	-	-	-	-	561,393	-	561,393
Issuance of convertible bonds	6(15)	-	-	-	-	25,350	-	-	-	-	-	-	25,350	-	25,350
Exercise of employee stock options	6(18)(19)	2,595	7,840	-	(2,195)	-	-	-	-	-	-	-	8,240	-	8,240
Compensation cost of employee stock options	6(18)	-	-	-	1,482	-	-	-	-	-	-	-	1,482	-	1,482
Compensation cost of employee stock options of subsidiaries	6(18)	-	-	-	2,978	-	-	-	-	-	-	-	2,978	-	2,978
Expired employee stock options		-	-	-	(74)	74	-	-	-	-	-	-	-	-	-
Balance at December 31, 2020		$ 1,570,439	$ 3,356,806	$ 173	$ 11,154	$ 59,145	$ 317,065	$ 387,852	$ 566,883	($ 41,290)	($ 345,834)	($ 34,956)	$ 5,847,437	$ 152,564	$ 6,000,001

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

CHC HEALTHCARE GROUP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 463,996	$ 476,593
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit loss (gain)		890	(19,068)
Depreciation charge	6(9)(10)(12)(27)	440,349	411,752
Loss on disposal of property, plant and equipment	6(25)	690	3,142
Property, plant and equipment transferred to expenses	6(9)	84	-
Interest expense		68,134	71,846
Interest income	6(23)	(12,049)	(11,696)
Dividend income	6(24)	(1,015)	(967)
Share of loss of associates and joint ventures accounted for using equity method	6(8)	276	1,633
Net gain on disposal of investments accounted for using equity method	6(8)(25)	-	(143)
Gain on financial assets or liabilities at fair value through profit or loss	6(25)	(37,382)	(17,403)
Amortisation of discount on bonds payable	6(26)	13,922	12,357
Compensation cost of employee stock options	6(18)(27)	4,460	5,726
Impairment loss on non-financial assets	6(25)	-	12,595
Changes in operating assets and liabilities			
Changes in operating assets			
Acquisition of financial assets at fair value through profit or loss		3,181	-
Contract assets		(15,641)	(39,946)
Notes receivable		28,426	-
Accounts receivable		35,740	(54,847)
Accounts receivable - related parties		28,312	8,937
Other receivables		495	(943)
Inventories		121,271	(26,113)
Prepayments		(70,590)	96,680
Other current assets		3,403	1,792
Changes in operating liabilities			
Contract liabilities		40,815	394,698
Notes payable		(1,413)	(851)
Accounts payable		(67,865)	14,252
Accounts payable - related parties		(136)	(4,426)
Other payables		(6,597)	17,447
Provisions for liabilities		3,223	8,113
Other current liabilities		(2,276)	6,158
Cash inflow generated from operations		1,042,703	1,367,318
Dividends received during the year		515	967
Interest paid during the year		(60,433)	(66,855)
Interest received during the year		12,049	11,696
Income tax paid		(79,369)	(97,933)
Net cash flows from operating activities		915,465	1,215,193

(Continued)

CHC HEALTHCARE GROUP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	2020	2019
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at amortised cost		$ -	($ 348,101)
Proceeds from disposal of financial assets at amortised cost		60,561	-
Decrease (increase) in other receivables - related parties		5,000	(25,500)
Proceeds from disposal of investments accounted for using equity method		8,833	7,770
Acquisition of property, plant and equipment	6(9)	(721,260)	(344,308)
Proceeds from disposal of property, plant and equipment		2,591	71,277
Acquisition of investment property	6(12)	(10,717)	(17,770)
Increase in refundable deposits		(217,061)	(325,393)
Decrease in refundable deposits		235,572	261,373
(Increase) decrease in other non-current assets		(94,581)	48,196
Net cash flows used in investing activities		(731,062)	(672,456)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term loans	6(32)	3,039,866	4,568,609
Decrease in short-term loans	6(32)	(3,321,223)	(4,784,005)
Payments of lease liabilities	6(32)	(10,162)	(6,799)
Proceeds from long-term debt	6(32)	1,079,490	196,500
Repayments of long-term debt	6(32)	(1,464,056)	(265,101)
Increase in guarantee deposits received	6(32)	10,279	16,401
Decrease in guarantee deposits received	6(32)	(13,609)	(12,258)
Decrease in other non-current liabilities		-	(1,340)
Proceeds from issuing bonds	6(15)	1,515,000	-
Issuance cost of bonds payable		(6,274)	-
Repayments of bonds	6(15)	(607,600)	-
Exercise of employee stock options	6(18)	8,240	33,246
Payment of cash dividends	6(21)	(281,267)	(250,045)
Net cash flows used in financing activities		(51,316)	(504,792)
Effect of changes in foreign currency exchange rates on cash and cash equivalents		2,200	(2,346)
Increase in cash and cash equivalents		135,287	35,599
Cash and cash equivalents at beginning of year		1,245,235	1,209,636
Cash and cash equivalents at end of year		$ 1,380,522	$ 1,245,235

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

【Attachment 6】

CHC Healthcare Group

Comparison Table of Revised Articles of "Procedures Governing the Acquisition or Disposal of Assets"

Article before revision	Article after revision	Explanation
Article 6 Appraisal Procedures for the Acquisition or Disposal of Securities When acquiring or disposing of securities, the Company shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20% of the Company's paid-in capital or NT$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the FSC.	Article 6 Appraisal Procedures for the Acquisition or Disposal of Securities When acquiring or disposing of securities, the Company shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20% of the Company's paid-in capital or NT$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the Accounting Research and Development Foundation (ARDF). This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the FSC.	Revise wording as appropriate.
Article 7 Appraisal Procedures for the Acquisition or Disposal of Intangible Assets or Right-of-use Assets Thereof or Memberships Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20% or more of paid-in capital or NT$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.	Article 7 Appraisal Procedures for the Acquisition or Disposal of Intangible Assets or Right-of-use Assets Thereof or Memberships Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20% or more of paid-in capital or NT$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price. The CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.	Revise wording as appropriate.
Article 9 Procedures 1. Degree and Level of Authority Delegated It shall be approved by more than half of all audit committee members and submitted to the Board of Directors for resolution when the transaction	Article 9 Procedures 1. Degree and Level of Authority Delegated It shall be approved by more than half of all audit committee members and submitted to the Board of Directors for resolution when the transaction	Revise wording as appropriate to meet operational needs.

Article before revision	Article after revision	Explanation
amount of the Company's acquisition or disposal of assets reaches 20% or more of paid-in capital, 10% or more of total assets or NT$300 million or more. If approval of more than half of all audit committee members as required above is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the meeting minutes of the Board of Directors. The Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the meeting minutes of Board of Directors. When the transaction amount of acquisition or disposal of assets is under 20% of paid-in capital, 10% of total assets or NT$300 million, the Chairman is delegated on decision-making. (The following is omitted.)	amount of the Company's acquisition or disposal of assets reaches 20% or more of paid-in capital, 10% or more of total assets or NT$300 million or more. If approval of more than half of all audit committee members as required above is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the meeting minutes of the Board of Directors. The Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the meeting minutes of Board of Directors. When the transaction amount of acquisition or disposal of assets is under 20% of paid-in capital, 10% of total assets or NT$300 million, it shall be executed in accordance with the "Authority Matrix" of the Company ~~the Chairman is delegated on decision-making~~. (The following is omitted.)	
Article 17 Amount of Derivatives Trading Contracts and Maximum Loss Limit 1. Contracts Amount (1). Amount for Hedging Transaction Finance Accounting Department is responsible for the control of the Company's overall foreign exchange position to hedge the risk arising from transaction. Amount for hedging transaction shall be limited to the Company's total foreign exchange position. (2). Amount for Specific Purpose Transactions The Company's transactions for other specific purposes shall be submitted to the Board of Directors for approval. 2. Maximum Loss Limit Setting (1). Hedging Transaction: After a position has been established, a stop-loss point must be set to prevent over-limit losses. The stop-loss point shall not exceed 10% of the trading contract amount. If the loss amount exceeds 10% of the trading contract amount, such event shall be immediately reported to the CEO or Chairman and submitted to the Board of Directors for discussion of necessary counter measures. (2). Specific Purpose Transactions: The stop-loss point shall not exceed 10% of the trading contract amount. If the loss amount exceeds 10% of the	Article 17 Amount of Derivatives Trading Contracts and Maximum Loss Limit 1. Contracts Amount (1). Amount for Hedging Transaction Finance Accounting Department is responsible for the control of the Company's overall foreign exchange position to hedge the risk arising from transaction. Amount for hedging transaction shall be limited to the Company's total foreign exchange position. (2). Amount for Specific Purpose Transactions The Company's transactions for other specific purposes shall be submitted to the Board of Directors for approval. 2. Maximum Loss Limit Setting (1). Hedging Transaction: After a position has been established, a stop-loss point must be set to prevent over-limit losses. The stop-loss point shall not exceed 10% of the trading contract amount. If the loss amount exceeds 10% of the trading contract amount, such event shall be immediately reported to the GM ~~CEO~~ or Chairman and submitted to the Board of Directors for discussion of necessary counter measures. (2). Specific Purpose Transactions: The stop-loss point shall not exceed 10% of the trading contract amount. If the loss amount exceeds 10% of the	Revise wording as appropriate to meet operational needs.

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<tr><td rowspan="2">1</td><td>2011/05/19</td><td>Approved by Board of Directors</td></tr>
<tr><td>2011/06/30</td><td>Approved on Special Shareholders' Meeting</td></tr>
<tr><td rowspan="2">2</td><td>2012/03/27</td><td>Approved by Board of Directors</td></tr>
<tr><td>2012/06/22</td><td>Approved on Shareholders' Meeting</td></tr>
<tr><td rowspan="2">3</td><td>2013/03/25</td><td>Approved by Board of Directors</td></tr>
<tr><td>2013/06/14</td><td>Approved on Shareholders' Meeting</td></tr>
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<tr><td>2014/06/17</td><td>Approved on Shareholders' Meeting</td></tr>
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<tr><td>2017/06/13</td><td>Approved on Shareholders' Meeting</td></tr>
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<tr><td>2019/06/12</td><td>Approved on Shareholders' Meeting</td></tr>
<tr><td rowspan="2">7</td><td>2021/03/19</td><td>Approved by Board of Directors</td></tr>
<tr><td>2021/07/01</td><td>Approved on Shareholders' Meeting</td></tr>
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</td><td>Amending date added.</td></tr>
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