

Stock No.:6569



Onyx Healthcare Inc.

Annual General Shareholders Meeting for 2022
Meeting Handbook



May 31, 2022

Venue: 9F, No. 135, Lane 235, Baoqiao Road, Xindian District, New Taipei City

(Translation – In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.)

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Meeting Procedure

**Onyx Healthcare Inc.
Meeting Procedure
for
the Annual General Shareholders Meeting of 2022**

I. Commencement of meeting

II. Chairperson's opening remarks

III. Report Items

IV. Acknowledgment Items

V. Discussion Items

VI. Election

VII. Other Motions

VIII. Special Motions

IX. Adjournment

Meeting Agenda

Onyx Healthcare Inc.

Agenda of the Annual General Shareholders' Meeting for 2022

- I. Time: 9am, May 31(Tuesday), 2022
- II. Venue: 9F, No. 135, Lane 235, Baoqiao Road, Xindian District, New Taipei City
- III. Meeting type: Physical shareholders meeting.
- IV. Commencement of meeting (announce the total number of shares represented in the meeting)
- V. Chairperson's opening remarks
- VI. Report Items:
 - (I) 2021 Business Report.
 - (II) 2021 Audit Committee's Report.
 - (III) 2021 Employee's and Directors' Remuneration Proposal.
- VII. Acknowledgment Items:
 - (I) 2021 Business Report and Financial Statements.
 - (II) The Proposal for Distribution of 2021 Profits.
- VII. Discussions Items:
 - (I) Cash Distribution from the Capital Surplus.
 - (II) Partial Amendments to " Asset Acquisition and Disposal Procedures ".
 - (III) Partial Amendments to the Company's " Articles of Incorporation ".
- VIII. Election:
 - (I) Re-election of all directors.
- IX. Other Motions:
 - (I) Release of new directors from non-competition restrictions
- X. Special Motions
- XI. Adjournment

Report Items

I. 2021 Business Report.

Details: Please refer to Attachment I of this conference manual for the Company's 2021 Business Report on pages 8-11.

II. 2021 Audit Committee's Report.

Details: Please refer to Attachment II of this conference manual for the Company's 2021 Audit Committee's Report on page 12.

III. 2021 Employee's and Directors' Remuneration Proposal.

Details: I. According to Article 28-1 of the Company's Articles of Incorporation, any profit concluded from a financial year (i.e., pre-tax profit before employee's and directors' remuneration) shall be subject to employee's remuneration of no less than 5% and directors' remuneration of no more than 3%. However, profits shall first be taken to offset cumulative losses if any.

II. Employee's remuneration totaling NT\$11,329,000 (7.33%) and director remuneration totaling NT\$2,400,000 (1.55%) have been proposed for 2021; both are indifferent from the amounts initially estimated, and will be entirely paid in cash.

Acknowledgment Items

Motion 1: Adoption of 2021 Business Report and Financial Statements.
(Proposed by the board of directors)

Details: I. The Company's 2021 standalone financial statements and consolidated financial statements have been audited by CPA Lin, Chun - Yao and CPA Weng, Shih - Rong of PriceWaterhouseCoopers Taiwan. The above documents have also been reviewed by the Audit Committee, for which the committee has issued its audit report.

II. Please refer to Attachment I on pages 13-25, Attachment III and Attachment IV on pages 26-39 of this conference manual for the Company's 2021 Business Report, standalone financial statements and consolidated financial statements with Independent Auditor's Report, respectively.

Resolution:

Motion 2: Adoption of the Proposal for Distribution of 2021 Profits. (Proposed by the board of directors)

Details: I. The Company generated NT\$127,551,892 of net income for the year of 2021; after providing NT\$12,755,189 in legal reserve, NT\$4,903,248 in special reserve and adding NT\$19,306,132 of undistributed earning carried from previous periods, a proposal was made to distribute cash dividends totaling NT\$99,783,900 (NT\$3.00 per share) to shareholders. Refer to the earnings appropriation chart below:

Onyx Healthcare Inc.
Earnings Distribution Table
2021

Unit: NTD

| Item | Amount | Remarks |
|---|--------------|--------------------|
| Beginning retained earnings | 19,306,132 | |
| Add: Net income for 2021 | 127,551,892 | |
| Less: Provision of legal reserve (10%) | (12,755,189) | |
| Provision for special reserve | (4,903,248) | |
| Earnings available for distribution in the current period | 129,199,587 | |
| Less: Distributions | | |
| Shareholders' dividends - cash | (99,783,900) | NT\$3.00 per share |
| Closing undistributed earnings | 29,415,687 | |

Note: Distribution to be paid out of 2021 earnings first.

Chairman: Chuang, Yung-Shun Manager: Wang, Feng-Hsiang Head of Accounting: Yang, Hsiang-Chih

II. The amount of cash dividend distribution shall be calculated and

truncated to the nearest NT\$1. Fractions that do not amount to a full NT\$1 shall be summed and recognized by the Company as other income. Once the motion has been approved during the annual general meeting, a request shall be raised simultaneously to authorize the Chairman to set baseline date and payment date for dividends.

- III. Proposal to seek approval during annual general meeting to authorize the Chairman for decisions involving adjustments to dividend allocation, should the Company encounter a change of share capital that changes the number of outstanding shares on a later date.

Resolution:

Discussion Items

Motion 1: Proposal to Cash Distribution from the Capital Surplus; the motion is open for discussion. (Proposed by the board of directors)

Details: I. NT\$33,261,300 of the capital Surplus previously recognized from shares issued at premium above face value will be distributed in cash to existing shareholders as shown in the shareholder registry as of the baseline date for the distribution. Shareholders will receive approximately NT\$1 for every share held; the amount of payment per shareholder will be truncated to the nearest dollar; fractions that do not amount to a full dollar shall be summed and recognized as other income of the Company.

II. Proposal to seek approval during the annual general meeting to authorize the Chairman for future adjustments to the allocation ratio, should the Company encounter a change of share capital that changes the number of outstanding shares at a later date.

III. Once the motion is passed during the annual general meeting, the Chairman shall be authorized to set the baseline date, payment date, and other details pertaining to the cash payment.

Resolution:

Motion 2: Partial Amendments to “Asset Acquisition and Disposal Procedures”; the motion is open for discussion. (Proposed by the board of directors)

Details: I. Partial amendments to the Company’s “Asset Acquisition and Disposal Procedures” for conformity with the amended version of the “Regulations Governing the Acquisition and Disposal of Assets by

Public Companies” in Letter No. 1110380465 issued by Financial Supervisory Commission on January 28, 2022.

- II. Please refer to Attachment V on pages 39-55 of this conference manual for detailed comparison of the “Asset Acquisition and Disposal Procedures” before and after revision.

Resolution:

Motion 3: Partial Amendments to the Company’s “Articles of Incorporation”; the motion is open for discussion. (Proposed by the board of directors)

Details: I. Proposal to make partial amendments to “Articles of Incorporation” to better support company operations.

- II. Please refer to Attachment VI on pages 56-57 of this conference manual for detailed comparison of the “Articles of Incorporation” before and after revision.

Resolution:

Election

Motion: Re-election of all directors

Details: I. The term of office served by the directors of 4th Board of Directors is going to expire on May 28, 2022. Therefore, the re-election of directors was carried out in accordance with Article 195 of the Company Act at this annual general meeting.

- II. 7 directors (including 3 independent directors) are scheduled to be elected in accordance with Article 18 of the Company's Articles of Incorporation. They will be elected under the candidate nomination system and serve the term of office for 3 years, from May 31, 2022 to May 30, 2025. The term of office served by the current directors expires at the end of this annual general meeting.

III. The Board of Directors’ meeting convened on February 24, 2022 resolved to pass the name list of candidates for director. Please refer to Attachment VII hereto on pages 58-60.

IV. The election was carried out in accordance with the Company’s “Directors Election Policy.” Please refer to Attachment XII hereto on pages 94-96.

Other Motions

Motion: Removal of restrictions on competing business involvement for the new directors and their representatives. (Proposed by the board of directors)

Details: I. According to Paragraph 1, Article 209 of the 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.

II. In order to rely on the expertise and experience of the Company's directors, insofar as the Company's interest remains unimpaired, a proposal is submitted to the shareholders' meeting for resolution on the removal of restrictions on competing business involvement for the new directors and their representatives. For the proposal for removal of restrictions on competing business involvement from the new directors and their representatives, please refer to Attachment VIII to the Meeting Handbook on Page 60-62.

Resolution:

Special Motions

Adjournment

Onyx Healthcare Inc.
Business report

Ladies and gentlemen:

Thanks to the support and encouragement of shareholders, Onyx has strived to bolster our production capacity and quality in the face of the volatile economic environment in 2021. Looking ahead to 2022, the Company will continue to optimize our products and R&D, strengthen competitiveness, and create new business opportunities in order to vigorously embrace future challenges. The 2021 operating results and 2022 business plan report are:

I. Business Performance in 2021

(I) Project Results in 2021

Changes of the economic environment, intensified market competition, and the strengthening of NTD against USD have all affected the Company's profits in 2021. The Company generated operating revenues of NT\$1,201,760 thousand for 2021, down 10.80% compared to 2020, and reported gross profit of NT\$363,728 thousand and net income of NT\$126,509 thousand for 2021, representing declines of -21.61% and -223.28% over 2020, respectively. Below is a breakdown of revenue weight by products:

| Product category | Revenue weight |
|--------------------------|----------------|
| Critical Care Monitoring | 27.77% |
| Medical Controller | 19.92% |
| Mobile Medical Assistant | 13.78% |
| Mobile Nursing Care | 24.82% |
| Others | 10.97% |
| Service Charge | 2.74% |
| | 100.00% |

(II) Budget execution and analysis of revenues, expenses and profitability

1. Budget execution: The Company did not produce a financial forecast for 2021, and hence is not required to disclose its progress.
2. Revenues, expenses, and profitability analysis

Unit: NT\$ thousand

| Item | | Year | 2021 | 2020 |
|-----------------------------------|--|------------------|--------------|--------------|
| | | | Consolidated | Consolidated |
| Financial receipts | Operating revenues | | \$1,201,760 | \$1,347,304 |
| | Gross profit | | 363,728 | 464,007 |
| | Current net income | | 126,509 | 164,907 |
| Profitability analysis | Return on assets (%) | | 8.31 | 11.93 |
| | Return on shareholders' equity (%) | | 12.12 | 15.91 |
| | As a percentage of paid-up capital (%) | Operating profit | 24.62 | 58.40 |
| | | Pre-tax profit | 46.30 | 73.65 |
| | Net profit margin (%) | | 10.53 | 12.24 |
| | Basic earnings per share (NT\$) | | 4.22 | 6.07 |
| Diluted earnings per share (NT\$) | | 4.20 | 6.04 | |

(III) Research and development

1. Research and development expenses in the last 2 years

Unit: NT\$ thousand; %

| Item | | Year | 2021 | 2020 |
|---|--|------|-----------|-----------|
| | | | | |
| R&D expenses | | | 79,351 | 68,635 |
| Net operating revenues | | | 1,201,760 | 1,347,304 |
| As a percentage of net operating revenues | | | 6.60 | 5.09 |

2. R&D progress in the last year

The Company's research and development dimensions include hardware, software, and components. Furthermore, the group's technology and industry-academia collaborations are integrated and applied to the development of new medical products, including physiological monitoring systems, medical controllers, long-term care systems, mobile medical devices, nursing care systems, medical-grade power systems, as well as the design and manufacturing of customized medical computers, etc. The products are marketed globally under the Onyx brand.

In terms of hardware, we primarily focus on the development of 5G+AI computers and peripherals with medical certifications, and customized designs are conducted in conjunction with major medical equipment manufacturers. The software includes smart power diagnosis/management and AIoT solutions. We are currently involved in the research of AI-driven edge computing, smart power management, and telemedicine medical records system. The components include lightweight, reinforced, and medical-grade exterior/structural design. In terms of the R&D outcome, new functions will be incorporated into the new products in the future to constantly strengthen the products' uniqueness, maintain technology leadership, and increase market share. In 2021, the Company's new products include VM500/VM1000/JS500, which can be applied to medical AI; the new generation of Venus 4 smart nursing care computer can be used on nurse workstations and care systems; the second-generation all in one surgical computer MATE2, ACCEL, the MedDP medical display, and the MedPC medical controller have all entered mass production.

II. Business plan and strategic development for 2022

(I) Operational policy

1. Taiwan's technology is combined with medical technology and care service, as well as the trend of global health technology and the aging population to provide comprehensive smart medical care solutions, including digital medical care, mobile nursing care, telecare, and personalized health management. Furthermore, the Company is driven by the business philosophy of "people value, integrity, innovation and customer respect".
2. The core of our business comprises proprietary brand as well as bespoke design and production to materialize the win-win strategy of complementing each other's growth, thereby generating the Company's revenues and profit growth.
3. Coordinate with suppliers and execute procurement, production and sales practices in conformity with ethical and environmental standards for mutual benefit.

(II) Projected sales volume and basis

Through continuous cultivation of the medical PC market, we have developed steady customer groups in Europe and America, and our products have earned praise from customers on these continents. Through product R&D and innovation, it is expected that we can capture market growth opportunities in Europe and America to boost revenues and maintain steady profit growth for the company. In 2022, the Company will build on our experience to implement various strategies. As the global COVID-19 pandemic gradually subsides, the Company is expected to exhibit steady and strong growth.

(III) Production-sales plan

1. Continue to promote our own brand—Onyx—on the Taiwanese, European, and American markets; target smart OR; engage in in-depth learning of medical market needs; provide European professional medical channels with new products; and develop niche products with high gross profits.
2. Provide ODM services, actively seize DMS business opportunities, provide dedicated brand-new automated production lines, strive for ODM orders from leading European and American medical suppliers, and create steady and rapid sales growth.
3. Accelerate and deepen collaboration with medical software developers, introduce smart healthcare solutions with worldwide partners, target medical centers to open business opportunities in precision medicine.
4. Capitalize on online marketing tools to attract new customers.

(IV) Future development strategies

1. The two-pronged strategy of product and technology R&D. Technology R&D encompasses AI, medical IoT, telemonitoring, medical assistive devices, distance sensing technology, and data image packing and transmission technology. In terms of the R&D outcome, new functions will be incorporated into the new products in the future to constantly strengthen the products' uniqueness and maintain technology leadership in the industry.
2. Deepen and expand the capacity of local DMS technology and services, and deepen product development for local customers.

3. Establish a healthcare innovation unit, utilize AI to provide medical practices with sensing, connection, and adaptation functions and spread their use in medical institutions at home and abroad.
 4. Collaborate with major hospitals in Europe, the US, and Asia to provide telecare service and plan telemedicine application products. The introduction of digital diagnosis technology coupled with a proprietary doctor-patient management system and AI technology provides a complete hospital diagnosis management package.
 5. Effectively overcome spatial barriers with ICT and IoT for patients to receive healthcare services outside the hospital.
- III. Impact of external competition, legal environment, and macro environment
- (I) Impact of external competition
In recent years, large manufacturers have continued to enter the medical PC market. To tackle the competition, besides enhancing services for existing customers, we will emphasize the R&D of products with higher gross profit to provide customers with more competitive options.
 - (II) Impact of the legal environment
Besides complying with the relevant regulations at home and abroad, we keep track of policy trends and regulatory changes at home and abroad to provide a reference for management consideration and to take countermeasures. Currently, no unfavorable legal impact on operations has been detected.
 - (III) Impact of the macro environment
With the proactive administering of COVID-19 vaccines worldwide, the pandemic is expected to be controlled effectively, and the global economy will also recover gradually. However, faced with the fluctuating exchange rate of the U.S. dollar, the risk is increased, but the Company will stay closely in touch with financial institutions to collect exchange rate fluctuation-related information, so as to forecast the exchange rate trend, and adjust the ratio of the foreign currency account accordingly. This is to minimize the risk associated with forex fluctuations and thereby lower its impact on the Company's operations.

Lastly, we look forward to your continued support, encouragement, and advice.

Sincerely,

Onyx Healthcare Inc.

Chairman: Chuang, Yung-Shun

General Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih

Audit Committee's Report

We have reviewed the Company's 2021 business report, financial statements and earnings appropriation proposal prepared by the board of directors. The financial statements have been audited by CPA LIN, CHUN - YAO and CPA WENG, SHIH - RONG of PriceWaterhouseCoopers Taiwan, to which the firm has issued an independent auditor's report. The Audit Committee found no misstatement in the above business report, financial statements or earnings appropriation, and hereby issues its report as presented above in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of The Company Act.

For

Onyx Healthcare Inc.

2022 Annual General Shareholders Meeting

Audit Committee Convener: Chiang, Po-Wen

February 24, 2022

Independent Auditor's Report

(111)-Cai-Shen-Bao-Zi-21002844

To stakeholders of ONYX Healthcare Inc.:

Audit opinion

We have audited the accompanying standalone balance sheet of ONYX Healthcare Inc. (referred to as "ONYX Healthcare" below) as at December 31, 2021 and 2020, the standalone statement of comprehensive income, standalone statement of changes in equity, and standalone cash flow statement from January 1 to December 31, 2021 and 2020, and notes to standalone financial statements (including a summary of significant accounting policies).

In our opinion, based on our audit results and audit results of other auditors (please refer to the Other Issues paragraph), all material disclosures of the standalone financial statements mentioned above were prepared in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and presented a fair view of the standalone financial position of ONYX Healthcare as at December 31, 2021 and 2020, and standalone business performance and cash flow for the periods January 1 to December 31, 2021 and 2020.

Basis of audit opinion

We have conducted our audits in accordance with "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and the generally accepted auditing standards of the Republic of China. Our responsibilities as an auditor under the abovementioned standards are explained in the Responsibilities paragraph. All relevant personnel of the accounting firm have followed CPA code of ethics of the Republic of China and maintained independence from ONYX Healthcare, and fulfilled other responsibilities under the code of ethics. We believe that the evidence obtained from audit and reports made by other auditors provide an adequate and appropriate basis for our opinion.

Key audit issues

Key audit issues are matters that we considered to be the most important, based on professional judgment when auditing the 2021 standalone financial statements of ONYX Healthcare. These issues have already been addressed when we audited and formed our opinions on the standalone financial statements. Therefore we do not provide opinions separately for individual issues.

Key audit issues concerning the 2021 standalone financial statements of ONYX Healthcare are as follows:

Existence of revenues from new top-10 buyers

Description

Please refer to Note 4(30) for the accounting policy on revenue recognition. For a detailed description of revenue accounts, please refer to Note 6(21) of the standalone financial statements.

ONYX Healthcare and subsidiaries (presented as equity-accounted investments) are mainly involved in the design, manufacturing, and sale of medical computers. Due to the fact that medical computers are customized for specific purposes, the sale of which is highly susceptible to cyclicity and varies from customer to customer, project to project. For this reason, ONYX Healthcare is constantly in need of exploring new markets and meet orders for different projects, causing changes in top-10 buyers. After comparing ONYX Healthcare's top-10 buyers in 2021 and 2020, new buyers added to this year's top-10 list were considered to have a significant effect on the revenues of ONYX Healthcare and its subsidiaries. As a result, we have identified ONYX Healthcare's new buyers in the top-10 list as one of the key audit issues this year.

Audit procedures

This issue concerned ONYX Healthcare and certain subsidiaries (presented as equity-accounted investments), and the following audit procedures were taken specifically in relation to the key audit issues described above:

1. Assessment and testing of internal control processes on sales transactions to determine whether transactions were carried out according to the company's internal control system during the reporting period.
2. Reviewing industry background and profile of the new top-10 buyers.
3. Random checks for proof of revenue and transaction with new top-10 buyers in the current period.

Accounting estimates for inventory valuation

Description

For accounting policies on inventory valuation, please refer to Note 4(12) of the standalone financial statements; for major accounting estimates, assumptions, and uncertainties on inventory valuation, please refer to Note 5(2) of the standalone financial statements; for detailed inventory accounts, please refer to Note 6(4) of the standalone financial statements.

ONYX Healthcare is mainly involved in the design, manufacturing, and sale of medical

computers. Due to the long useful life of medical computers, ONYX Healthcare is required to maintain inventory of certain products and peripherals for longer periods of time in order to meet customers' needs for long-term supply and maintenance. Any change in customers' purchase order or under-performance of the market would cause fluctuation in product pricing or slow down the rate at which inventory is sold, therefore increasing risk of loss on devaluation or obsolescence. ONYX Healthcare accounts for normal inventory at the lower of cost and net realizable value; inventory that exceeds certain duration of time or has been individually identified as obsolete will have loss provisions made on an item-by-item basis according to the devaluation loss provisioning policy.

ONYX Healthcare makes timely adjustments to inventory level in response to changes in market demand and the company's development strategies. The company carries medical computers not only in wide variety, but also make up a substantial portion of the company's product portfolio and a high amount of inventory; furthermore, evaluation of net realizable value on obsolete inventory often involves subjective judgments, making the estimated amount prone to uncertainties, and was one of the areas we had to verify as part of our audit. For this reason, we have identified the estimation of inventory valuation losses as one of the key audit issues for this year.

Audit procedures

This issue concerned ONYX Healthcare and certain subsidiaries (presented as equity-accounted investments), and the following audit procedures were taken specifically in relation to the key audit issues described above:

1. Evaluating the policy adopted by ONYX Healthcare to make provisions for inventory devaluation losses, based on our understanding of the company's operations and industry nature.
2. Examining details of individual inventory items that the management had considered to be obsolete, and verifying against supporting documents.
3. Testing the market prices based upon which net realizable values of individual inventory items were established, and making random checks to ensure that net realizable values were correctly calculated.

Other issues - audits by other auditors

Amongst the equity-accounted business investments presented in the standalone financial statements of ONYX Healthcare, some of which had financial statements audited by other CPAs that we did not take part of. Therefore, opinions made in the standalone financial statements

mentioned above in regards to such businesses were based on audited reports of other CPAs. As at December 31, 2021 and 2020, balances of the abovementioned equity-accounted investments totaled NT\$561,275,000 and NT\$537,102,000, representing 34% and 40% of total assets, respectively. For the periods from January 1 to December 31, 2021 and 2020, comprehensive income recognized from the abovementioned companies totaled NT\$49,261,000 and NT\$32,698,000, representing 40% and 20% of comprehensive income, respectively.

Responsibilities of the management and governing body to the standalone financial statements

Responsibilities of the management were to prepare and ensure fair presentation of standalone financial statements in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and to exercise proper internal control practices that are relevant to the preparation of standalone financial statements so that the standalone financial statements are free of material misstatements, whether caused by fraud or error.

The management's responsibilities when preparing financial statements also involved: assessing the ability of ONYX Healthcare to operate, disclose information, and account for transactions as a going concern unless the management intends to liquidate or cease business operations, or is compelled to do so with no alternative solution.

The governing body of ONYX Healthcare (including the Audit Committee) is responsible for supervising the financial reporting process.

Responsibilities of CPAs in Inspecting Individual Financial Statements

The purposes of our audit were to obtain reasonable assurance of whether the financial statements were prone to material misstatements caused by fraud or error, and to issue a report of our audit opinions. We considered assurance to be reasonable only if it is highly credible. However, audit tasks conducted in accordance with generally accepted auditing principles of the Republic of China do not necessarily guarantee detection of all material misstatements within the standalone financial statements. Misstatements can arise from fraud or error. Misstatements are considered material if the individual amount or aggregate total is reasonably expected to affect economic decisions of the financial statement user.

When conducting audits in accordance with generally accepted audit principles of the Republic of China, we exercised judgments and raised doubts as deemed professionally appropriate. We also performed the following tasks as an auditor:

1. Identifying and assessing risks of material misstatement due to fraud or error; designing and executing appropriate response measures for the identified risks; and obtaining adequate and

appropriate audit evidence to support audit opinions. Fraud may involve conspiracy, forgery, intentional omission, untruthful declaration, or breach of internal control, and our audit did not find any material misstatement where the risk of fraud is greater than the risk of error.

2. Developing the required level of understanding on relevant internal controls and designing audit procedures that are appropriate under the prevailing circumstances, but without providing opinion on the effectiveness of internal control system of ONYX Healthcare.
3. Assessing the appropriateness of accounting policies adopted by the management, and the rationality of accounting estimates and related disclosures made.
4. Forming conclusions regarding the appropriateness of management's decision to account for the business as a going concern, and whether there are doubts or uncertainties about the ability of ONYX Healthcare to operate as a going concern, based on the audit evidence obtained. We are bound to remind users of standalone financial statements and make related disclosures if uncertainties exist in regards to the abovementioned events or circumstances, and amend audit opinions when the disclosures are no longer appropriate. Our conclusions are based on the audit evidence obtained up to the date of audit report. However, future events or circumstances may still render ONYX Healthcare no longer capable of operating as a going concern.
5. Assessing the overall presentation, structure, and contents of the standalone financial statements (including related footnotes), and whether certain transactions and events are presented appropriately in the financial statements.
6. Obtaining sufficient and appropriate audit evidence on financial information of equity-accounted investments held by ONYX Healthcare, and expressing opinions on standalone financial statements. Our responsibilities as auditor are to instruct, supervise and execute audits and form audit opinions on the standalone financial statements.

We have communicated with the governing body about the scope, timing, and significant findings (including significant defects identified in the internal control) of our audit.

We have also provided the governing body with a declaration of independence stating that all relevant personnel of the accounting firm have complied with auditors' professional ethics of the Republic of China, and communicated with the governing body on all matters that may affect the auditor's independence (including protection measures).

We have identified the key audit issues after communicating with the governance body regarding the 2021 standalone financial statements of ONYX Healthcare. These issues have been addressed in our audit report except for: 1. Certain topics that are prohibited by law from disclosing to the public; or 2. Under extreme circumstances, topics that we decided not to communicate in the

audit report because of higher negative impacts they may cause than the benefits they bring to public interest.

PwC Taiwan

Lin, Chun-Yao

CPA

Weng, Shih-Rong

(Formerly known as) Securities and Futures Commission,
The Ministry of Finance

Approval reference: (85)-Tai-Tsai-Cheng-(6)-68702

(Formerly known as) Securities and Futures Commission,
The Ministry of Finance

Approval reference: (88)-Tai-Tsai-Cheng-(6)-95577

February 24, 2022

ONYX Healthcare Inc.
Standalone Balance Sheet
As at December 31, 2021 and 2020

Unit: NT\$ thousand

| Assets | Note | December 31, 2021 | | December 31, 2020 | | |
|---------------------------|---|-------------------|---------------------|-------------------|---------------------|------------|
| | | Amount | % | Amount | % | |
| Current assets | | | | | | |
| 1100 | Cash and cash equivalents | 6(1) | \$ 54,982 | 3 | \$ 295,565 | 22 |
| 1110 | Financial assets at fair value through profit or loss - current | 6(2) | 10,125 | 1 | 5,512 | - |
| 1150 | Net notes receivable | 6(3) | - | - | 49 | - |
| 1170 | Net accounts receivable | 6(3) | 93,958 | 6 | 55,111 | 4 |
| 1180 | Accounts receivable - related parties, net | 7 | 114,101 | 7 | 54,668 | 4 |
| 1200 | Other receivables | 7 | 4,211 | - | 2,564 | - |
| 130X | Inventory | 6(4) | 239,372 | 14 | 152,065 | 12 |
| 1410 | Prepayments | | 10,683 | 1 | 9,556 | 1 |
| 1470 | Other current assets | 8 | 1,520 | - | 13,488 | 1 |
| 11XX | Total current assets | | <u>528,952</u> | <u>32</u> | <u>588,578</u> | <u>44</u> |
| Non-current assets | | | | | | |
| 1510 | Financial assets at fair value through profit or loss - non-current | 6(2) | 36,406 | 2 | 38,261 | 3 |
| 1517 | Financial assets at fair value through other comprehensive income - non-current | 6(5) | 32,381 | 2 | 2,381 | - |
| 1550 | Equity-accounted investments | 6(6) | 682,112 | 42 | 660,436 | 50 |
| 1600 | Property, plant and equipment | 6(7) | 22,105 | 2 | 17,572 | 1 |
| 1755 | Right-of-use assets | 6(8) | 37,999 | 2 | 4,193 | - |
| 1760 | Investment property - net | 6(10), 7, and 8 | 277,645 | 17 | - | - |
| 1780 | Intangible assets | | 4,589 | - | 5,134 | 1 |
| 1840 | Deferred income tax assets | 6(26) | 14,133 | 1 | 10,616 | 1 |
| 1900 | Other non-current assets | 8 | 1,992 | - | 2,197 | - |
| 15XX | Total non-current assets | | <u>1,109,362</u> | <u>68</u> | <u>740,790</u> | <u>56</u> |
| 1XXX | Total assets | | <u>\$ 1,638,314</u> | <u>100</u> | <u>\$ 1,329,368</u> | <u>100</u> |

(Continued next page)

ONYX Healthcare Inc.
Standalone Balance Sheet
As at December 31, 2021 and 2020

Unit: NT\$ thousand

| Liabilities and equity | Note | December 31, 2021 | | December 31, 2020 | | |
|---|---|-------------------|---------------------|-------------------|---------------------|------------|
| | | Amount | % | Amount | % | |
| Current liabilities | | | | | | |
| 2100 | Short-term loans | 6(11) | \$ 105,000 | 6 | \$ - | - |
| 2130 | Contractual liabilities - current | 6(21) | 75,430 | 5 | 53,821 | 4 |
| 2170 | Accounts payable | | 86,685 | 5 | 56,767 | 4 |
| 2180 | Accounts payable - related parties | 7 | 7,223 | 1 | 3,935 | - |
| 2200 | Other payables | 6(13) and 7 | 55,972 | 4 | 54,981 | 4 |
| 2220 | Other payables - related parties | 7 | 2,356 | - | 3,601 | - |
| 2230 | Current income tax liabilities | | 17,442 | 1 | 42,670 | 3 |
| 2250 | Liability reserves - current | 6(16) | 6,272 | - | 6,672 | 1 |
| 2280 | Lease liabilities - current | | 4,824 | - | 2,927 | - |
| 2320 | Long-term liabilities due within 1 year or 1 business cycle | 6(14) | 10,744 | 1 | - | - |
| 2399 | Other current liabilities - others | | 5,886 | - | 4,070 | 1 |
| 21XX | Total current liabilities | | <u>377,834</u> | <u>23</u> | <u>229,444</u> | <u>17</u> |
| Non-current liabilities | | | | | | |
| 2527 | Contractual liabilities - non-current | 6(21) | 42,096 | 3 | 52,694 | 4 |
| 2540 | Long-term loans | 6(14) | 155,043 | 9 | - | - |
| 2550 | Liability reserves - non-current | 6(16) | 1,999 | - | 1,942 | 1 |
| 2570 | Deferred income tax liabilities | 6(26) | 1,278 | - | 1,078 | - |
| 2580 | Lease liabilities - non-current | | 33,021 | 2 | 1,274 | - |
| 2645 | Guarantee deposits received | 7 | 1,148 | - | - | - |
| 25XX | Total non-current liabilities | | <u>234,585</u> | <u>14</u> | <u>56,988</u> | <u>5</u> |
| 2XXX | Total liabilities | | <u>612,419</u> | <u>37</u> | <u>286,432</u> | <u>22</u> |
| Equity | | | | | | |
| Share capital | | | | | | |
| 3110 | Common share capital | 6(18) | 302,612 | 19 | 275,102 | 21 |
| Capital reserves | | | | | | |
| 3200 | Capital reserves | 6(17)(19) | 462,673 | 28 | 478,566 | 36 |
| Retained earnings | | | | | | |
| 3310 | Legal reserves | 6(20) | 118,655 | 7 | 101,948 | 8 |
| 3320 | Special reserves | | 44,993 | 3 | 40,263 | 3 |
| 3350 | Unappropriated earnings | | 146,858 | 9 | 192,050 | 14 |
| Other equity items | | | | | | |
| 3400 | Other equity items | | (49,896) | (3) | (44,993) | (4) |
| 3XXX | Total equity | | <u>1,025,895</u> | <u>63</u> | <u>1,042,936</u> | <u>78</u> |
| Major post-balance sheet date events 11 | | | | | | |
| 3X2X | Total liabilities and equity | | <u>\$ 1,638,314</u> | <u>100</u> | <u>\$ 1,329,368</u> | <u>100</u> |

The attached Notes to the standalone financial statements are part of this standalone financial statement and should be read in conjunction.

Chairman: Chuang, Yung-Shun

Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih

ONYX Healthcare Inc.
Standalone Statement of Comprehensive Income
For the periods January 1 to December 31, 2021 and 2020

Unit: NT\$ thousand
(except earnings per share, which are presented in NTD)

| Item | Note | 2021 | | 2020 | |
|---|------------------------|------------|-------|------------|-------|
| | | Amount | % | Amount | % |
| 4000 Operating revenues | 6(21) and 7 | \$ 935,272 | 100 | \$ 966,340 | 100 |
| 5000 Operating costs | 6(4)(24) (25) and 7 | (670,318) | (72) | (650,196) | (67) |
| 5900 Gross profit | | 264,954 | 28 | 316,144 | 33 |
| 5910 Unrealized gain on sales | | (14,016) | (1) | (10,246) | (1) |
| 5920 Realized gain on sales | | 10,246 | 1 | 9,262 | 1 |
| 5950 Net gross profit | | 261,184 | 28 | 315,160 | 33 |
| Operating expenses | 6(24) (25) and 7 | | | | |
| 6100 Selling expenses | | (61,108) | (7) | (58,482) | (6) |
| 6200 Administrative expenses | | (43,515) | (5) | (41,924) | (5) |
| 6300 R&D expenses | | (76,926) | (8) | (65,597) | (7) |
| 6450 Expected credit impairment gain (loss) | 12(2) | 51 | - | (2,660) | - |
| 6000 Total operating expenses | | (181,498) | (20) | (168,663) | (18) |
| 6900 Operating profit | | 79,686 | 8 | 146,497 | 15 |
| Non-operating income and expenses | | | | | |
| 7100 Interest income | 7 | 134 | - | 732 | - |
| 7010 Other income | 6(22) and 7 | 9,765 | 1 | 4,425 | - |
| 7020 Other gains and losses | 6(23) | 3,133 | - | (1,815) | - |
| 7050 Financial costs | | (2,169) | - | (156) | - |
| 7070 Share of profits/losses on equity-accounted subsidiaries, associated companies, and joint ventures | 6(6) | 50,301 | 6 | 48,967 | 5 |
| 7000 Total non-operating income and expenses | | 61,164 | 7 | 52,153 | 5 |
| 7900 Pre-tax profit | | 140,850 | 15 | 198,650 | 20 |
| 7950 Income tax expense | 6(26) | (13,299) | (1) | (31,575) | (3) |
| 8200 Current net income | | \$ 127,551 | 14 | \$ 167,075 | 17 |
| Other comprehensive income | | | | | |
| Items not reclassified into profit or loss | | | | | |
| 8330 Share of other comprehensive income from subsidiaries, equity-accounted associated companies, and joint ventures - not reclassified into profit or loss | | (\$ 387) | - | (\$ 846) | - |
| 8310 Items not reclassified into profit or loss - total | | (387) | - | (846) | - |
| Items likely to be reclassified into profit or loss | | | | | |
| 8361 Financial statement translation differences arising from foreign operations | | (4,963) | (1) | (4,406) | - |
| 8380 Share of other comprehensive income from equity-accounted subsidiaries, associated companies, and joint ventures - likely to be reclassified into profit or loss | | (545) | - | (359) | - |

(Continued next page)

2021 2020

The attached Notes to the standalone financial statements are part of this standalone financial statement and should be read in conjunction.

Chairman: Chuang, Yung-Shun

Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih

ONYX Healthcare Inc.
Standalone Statement of Comprehensive Income
For the periods January 1 to December 31, 2021 and 2020

Unit: NT\$ thousand
(except earnings per share, which are presented in NTD)

| Item | Note | Amount | % | Amount | % |
|------|--|-------------------|------------|-------------------|-----------|
| 8399 | Income tax on items that are likely to be reclassified into profit or loss | 992 | - | 881 | - |
| 8360 | Items likely to be reclassified into profit or loss - total | (4,516) | (1) | (3,884) | - |
| 8300 | Other comprehensive income (net) | (\$ 4,903) | (1) | (\$ 4,730) | - |
| 8500 | Total comprehensive income for the current period | \$ 122,648 | 13 | \$ 162,345 | 17 |
| | | | | | |
| | Basic earnings per share | | | | |
| 9750 | Current net income | \$ | 4.22 | \$ | 5.52 |
| | Diluted earnings per share | | | | |
| 9850 | Current net income | \$ | 4.20 | \$ | 5.49 |

The attached Notes to the standalone financial statements are part of this standalone financial statement and should be read in conjunction.

Chairman: Chuang, Yung-Shun

Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih

ONYX Healthcare Inc.
Standalone Statement of Changes in Equity
For the periods January 1 to December 31, 2021 and 2020

Unit: NTS thousand

| | Note | Retained earnings | | | | Other equity items | | | Total |
|--|-----------|----------------------|------------------|----------------|------------------|-------------------------|---|--|--------------|
| | | Common share capital | Capital reserves | Legal reserves | Special reserves | Unappropriated earnings | Financial statement differences arising from foreign operations | Unrealized gains/losses on financial assets at fair value through other comprehensive income | |
| 2020 | | | | | | | | | |
| Balance as at January 1, 2020 | | \$ 220,082 | \$ 473,856 | \$ 78,010 | \$ - | \$ 276,245 | (\$ 4,100) | (\$ 36,163) | \$ 1,007,930 |
| Current net income | | - | - | - | - | 167,075 | - | - | 167,075 |
| Other current comprehensive income | | - | - | - | - | - | (3,884) | (846) | (4,730) |
| Total comprehensive income for the current period | | - | - | - | - | 167,075 | (3,884) | (846) | 162,345 |
| Appropriation and distribution of 2019 earnings: 6(20) | | - | - | - | - | - | - | - | - |
| Provision for legal reserves | | - | - | 23,938 | - | (23,938) | - | - | - |
| Provision for special reserves | | - | - | - | 40,263 | (40,263) | - | - | - |
| Cash dividends | | - | - | - | - | (132,049) | - | - | (132,049) |
| Stock dividends | 6(18) | 55,020 | - | - | - | (55,020) | - | - | - |
| Share-based payment | 6(17)(19) | - | 4,710 | - | - | - | - | - | 4,710 |
| Balance as at December 31, 2020 | | \$ 275,102 | \$ 478,566 | \$ 101,948 | \$ 40,263 | \$ 192,050 | (\$ 7,984) | (\$ 37,009) | \$ 1,042,936 |
| 2021 | | | | | | | | | |
| Balance as at January 1, 2021 | | \$ 275,102 | \$ 478,566 | \$ 101,948 | \$ 40,263 | \$ 192,050 | (\$ 7,984) | (\$ 37,009) | \$ 1,042,936 |
| Current net income | | - | - | - | - | 127,551 | - | - | 127,551 |
| Other current comprehensive income | | - | - | - | - | - | (4,516) | (387) | (4,903) |
| Total comprehensive income for the current period | | - | - | - | - | 127,551 | (4,516) | (387) | 122,648 |
| Appropriation and distribution of 2020 earnings: 6(20) | | - | - | - | - | - | - | - | - |
| Provision for legal reserves | | - | - | 16,707 | - | (16,707) | - | - | - |
| Provision for special reserves | | - | - | - | 4,730 | (4,730) | - | - | - |
| Cash dividends | | - | - | - | - | (123,796) | - | - | (123,796) |
| Stock dividends | 6(18) | 27,510 | - | - | - | (27,510) | - | - | - |
| Distribution of cash from capital reserves | 6(19) | - | (27,510) | - | - | - | - | - | (27,510) |
| Share-based payment | 6(17)(19) | - | 11,617 | - | - | - | - | - | 11,617 |
| Balance as at December 31, 2021 | | \$ 302,612 | \$ 462,673 | \$ 118,655 | \$ 44,993 | \$ 146,858 | (\$ 12,500) | (\$ 37,396) | \$ 1,025,895 |

The attached Notes to the standalone financial statements are part of this standalone financial statement and should be read in conjunction.

Chairman: Chuang, Yung-Shun

Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih

ONYX Healthcare Inc.
Standalone Cash Flow Statement
For the periods January 1 to December 31, 2021 and 2020

Unit: NT\$ thousand

| | Note | January 1 to December 31, 2021 | January 1 to December 31, 2020 |
|--|--------------|-----------------------------------|-----------------------------------|
| <u>Cash flow from operating activities</u> | | | |
| Pre-tax profit for the current period | | \$ 140,850 | \$ 198,650 |
| Adjustments | | | |
| Income, expenses, and losses | | | |
| Depreciation | 6(7)(8)(24) | 18,062 | 21,894 |
| Depreciation of investment properties (presented as other gains and losses) | 6(10)(23) | | |
| Amortization | 6(24) | 541 | - |
| Expected credit impairment (gain) loss | 12(2) | 1,678 | 952 |
| Loss (gain) on financial assets or liabilities at fair value through profit or loss | 6(2)(12)(23) | (51) | 2,660 |
| Interest expenses | | 921 | (2,544) |
| Interest income | | 2,169 | 156 |
| Dividend income | 6(22) | (134) | (732) |
| Share-based payment - remuneration | 6(17) | (6,218) | (1,623) |
| Share of gain from subsidiaries and associated companies accounted using the equity method | 6(6) | 11,046 | 4,466 |
| Loss on lease amendment | 6(8)(23) | (50,302) | (48,967) |
| Unrealized gains/losses among affiliates | | 5 | - |
| Change in assets/liabilities related to operating activities | | 3,770 | 984 |
| Net change in assets related to operating activities | | | |
| Financial assets mandatory to be carried at fair value through profit or loss | | - | 153 |
| Notes receivable | | 49 | (49) |
| Accounts receivable | | (38,796) | 39,675 |
| Accounts receivable - related parties | | (59,433) | (16,729) |
| Other receivables | | (1,647) | 4,579 |
| Inventory | | (87,307) | (815) |
| Prepayments | | (1,127) | (2,875) |
| Other current assets | | (234) | 1,105 |
| Net change in liabilities related to operating activities | | | |
| Financial liabilities held for trading | | (55) | (1,211) |
| Contractual liabilities | | 11,011 | 17,062 |
| Accounts payable | | 29,918 | 4,313 |
| Accounts payable - related parties | | 3,288 | (47,226) |
| Other payables | | (542) | (296) |
| Other payables - related parties | | (1,245) | 844 |
| Liability reserves | | (343) | (2,493) |
| Other current liabilities | | 1,816 | 218 |
| Cash (outflow) inflow from operating activities | | (22,310) | 172,151 |
| Interests received | | 134 | 732 |
| Dividends received | | 45,889 | 30,756 |
| Interests paid | | (2,118) | (156) |
| Income tax paid | | (40,853) | (15,459) |
| Net cash (outflow) inflow from operating activities | | (19,258) | 188,024 |
| <u>Cash flow from investing activities</u> | | | |
| Acquisition of financial assets at fair value through profit or loss | | (3,623) | (179) |
| Disposal of financial assets at fair value through profit or loss | | - | 3,865 |
| Decrease in restricted assets (presented as other current assets) | | - | 45 |
| Acquisition of financial assets at fair value through other comprehensive income | | (30,000) | - |
| Acquisition of equity-accounted investments | | (20,138) | (27,951) |
| Acquisition of property, plant, and equipment | 6(28) | (294,412) | (11,075) |
| Acquisition of intangible assets | | (1,133) | (5,533) |
| Decrease (increase) in guarantee deposits paid | | 12,406 | (12,500) |
| Net cash outflow from investing activities | | (336,900) | (53,328) |
| <u>Cash flow from financing activities</u> | | | |
| Increase in short-term loans | 6(29) | 105,000 | - |
| Borrowing of long-term loan | 6(29) | 172,000 | - |
| Repayment of long-term loan | 6(29) | (6,213) | - |
| Repayment of lease principal | 6(29) | (5,054) | (10,714) |
| Increase in guarantee deposits received | | 1,148 | - |
| Cash dividends paid | 6(20) | (123,796) | (132,049) |
| Distribution of cash from capital reserves | 6(19) | (27,510) | - |
| Net cash inflow (outflow) from financing activities | | 115,575 | (142,763) |

The attached Notes to the standalone financial statements are part of this standalone financial statement and should be read in conjunction.

Chairman: Chuang, Yung-Shun

Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih

ONYX Healthcare Inc.
Standalone Cash Flow Statement
For the periods January 1 to December 31, 2021 and 2020

Unit: NT\$ thousand

| | Note | January 1 to December 31, 2021 | | January 1 to December 31, 2020 |
|--|------|-----------------------------------|---|-----------------------------------|
| Decrease in cash and cash equivalents for the current period | | (240,583) | (| 8,067) |
| Opening cash and cash equivalents balance | 6(1) | 295,565 | | 303,632 |
| Closing cash and cash equivalents balance | 6(1) | \$ 54,982 | | \$ 295,565 |

The attached Notes to the standalone financial statements are part of this standalone financial statement and should be read in conjunction.

Chairman: Chuang, Yung-Shun

Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih

Independent Auditor's Report

(111)-Cai-Shen-Bao-Zi-21003007

To stakeholders of ONYX Healthcare Inc.:

Audit opinion

We have audited the accompanying consolidated balance sheet of ONYX Healthcare Inc. and subsidiaries (referred to as "ONYX Group" below) as at December 31, 2021 and 2020, the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated cash flow statement from January 1 to December 31, 2021 and 2020, and notes to consolidated financial statements (including a summary of significant accounting policies).

In our opinion, based on our audit results and audit results of other auditors (please refer to the Other Issues paragraph), all material disclosures of the consolidated financial statements mentioned above were prepared in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the version of International Financial Reporting Standards, International Accounting Standards and interpretations thereof approved by the Financial Supervisory Commission, and presented a fair view of the consolidated financial position of ONYX Group as at December 31, 2021 and 2020, and consolidated business performance and cash flow for the periods January 1 to December 31, 2021 and 2020.

Basis of audit opinion

We have conducted our audits in accordance with "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and the generally accepted auditing standards of the Republic of China. Our responsibilities as an auditor under the abovementioned standards are further explained in the "Consolidated financial statement auditing responsibilities" paragraph below. All relevant personnel of the accounting firm have followed CPA code of ethics of the Republic of China and maintained independence from ONYX Group, and fulfilled other responsibilities under the code of ethics. We believe that the evidence obtained from audit and reports made by other auditors provide an adequate and appropriate basis for our opinion.

Key audit issues

Key audit issues are matters that we considered to be the most important, based on professional judgment, when auditing the 2021 consolidated financial statements of ONYX Group. These issues have already been addressed when we audited and formed our opinions on the consolidated financial statements. Therefore we do not provide opinions separately for individual issues.

Key audit issues concerning the 2021 consolidated financial statements of ONYX Group are as follows:

Existence of revenues from new top-10 buyers

Description

Please refer to Note 4(30) for accounting policy on revenue recognition. For a detailed description of revenue accounts, please refer to Note 6(21) of the consolidated financial statements.

ONYX Group is mainly involved in the design, manufacturing, and sale of medical computers. Due to the fact that medical computers are customized for specific purposes, the sale of which is highly susceptible to cyclicity and varies from customer to customer, project to project. For this reason, ONYX Group is constantly in need of exploring new markets and meet orders for different projects, causing changes in top-10 buyers. After comparing ONYX Group's top-10 buyers in 2021 and 2020, new buyers added to this year's top-10 list were considered to have a significant effect on the consolidated revenues of ONYX Group. As a result, we have identified ONYX Group's new buyers in the top-10 list as one of the key audit issues this year.

Audit procedures

The following audit procedures were taken in relation to the audit issue described above:

1. Assessment and testing of internal control processes on sales transactions to determine whether transactions were carried out according to the group's internal control system during the reporting period.
2. Review on the industry background and profile of the new top-10 buyers.
3. Random checks for proof of revenue and transaction with new top-10 buyers in the current period.

Accounting estimates for inventory valuation

Description

For accounting policies on inventory valuation, please refer to Note 4(13) of the consolidated financial statements; for major accounting estimates, assumptions, and uncertainties on inventory valuation, please refer to Note 5(2) of the consolidated financial statements; for detailed inventory accounts, please refer to Note 6(4) of the consolidated financial statements.

ONYX Group is mainly involved in the design, manufacturing, and sale of medical

computers. Due to the long useful life of medical computers, ONYX Group is required to maintain inventory of certain products and peripherals for longer periods of time in order to meet customers' needs for long-term supply and maintenance. Any change in customers' purchase order or under-performance of the market would cause fluctuation in product pricing or slow down the rate at which inventory is sold, therefore increasing risk of loss on devaluation or obsolescence. ONYX Group accounts for normal inventory at the lower of cost and net realizable value; inventory that exceeds certain duration of time or has been individually identified as obsolete will have loss provisions made on an item-by-item basis according to the devaluation loss provisioning policy.

ONYX Group makes timely adjustments to inventory level in response to changes in market demand and the group's development strategies. The group carries medical computers not only in wide variety, but also make up a substantial portion of the group's product portfolio and a high amount of inventory; furthermore, evaluation of net realizable value on obsolete inventory often involves subjective judgments, making the estimated amount prone to uncertainties, and was one of the areas we had to verify as part of our audit. For this reason, we have identified the estimation of inventory valuation losses as one of the key audit issues for this year.

Audit procedures

The following audit procedures were taken in relation to the audit issue described above:

1. Evaluating the policy adopted by ONYX Group to make provisions for inventory devaluation losses, based on our understanding of the group's operations and industry nature.
2. Examining details of individual inventory items that the management had considered to be obsolete, and verifying against supporting documents.
3. Testing the market prices based upon which net realizable values of individual inventory items were established, and making random checks to ensure that net realizable values were correctly calculated.

Other issues - audits by other auditors

Amongst the equity-accounted business investments presented in the consolidated financial statements of ONYX Group, some of which had financial statements audited by other CPAs that we did not take part in. Therefore, opinions made in the consolidated financial statements mentioned above in regards to such businesses were based on audited reports of other CPAs. As at December 31, 2021 and 2020, balances of the abovementioned equity-accounted investments totaled NT\$561,275,000 and NT\$537,102,000, representing 33% and 39% of consolidated total

assets, respectively. For the periods from January 1 to December 31, 2021 and 2020, comprehensive income recognized from the abovementioned companies totaled NT\$49,261,000 and NT\$32,698,000, representing 41% and 20% of consolidated comprehensive income, respectively.

Other issues - standalone financial statements

ONYX Healthcare Inc. has prepared standalone financial statements for 2021 and 2020, to which we have issued an independent auditor's report with unqualified opinion and made additional disclosures in the Other issues paragraph.

Responsibilities of the management and governance body to the consolidated financial statements

Responsibilities of the management were to prepare and ensure fair presentation of consolidated financial statements in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the version of International Financial Reporting Standards, International Accounting Standards and interpretations thereof approved by the Financial Supervisory Commission, and to exercise proper internal control practices that are relevant to the preparation of consolidated financial statements so that the consolidated financial statements are free of material misstatements, whether caused by fraud or error.

The management's responsibilities when preparing financial statements also involved: assessing the ability of ONYX Group to operate, disclose information, and account for transactions as a going concern unless the management intends to liquidate or cease business operations, or is compelled to do so with no alternative solution.

The governing body of ONYX Group (including the Audit Committee) is responsible for supervising the financial reporting process.

Auditor's responsibilities in the audit of consolidated financial statements

The purposes of our audit were to obtain reasonable assurance of whether the consolidated financial statements were prone to material misstatements, whether caused by fraud or error, and to issue a report of our audit opinions. We considered assurance to be reasonable only if it is highly credible. However, audit tasks conducted in accordance with generally accepted auditing principles of the Republic of China do not necessarily guarantee detection of all material misstatements within the consolidated financial statements. Misstatements can arise from fraud or error. Misstatements are considered material if the individual amount or aggregate total is reasonably expected to affect economic decisions of the consolidated financial statement user.

When conducting audits in accordance with generally accepted audit principles of the Republic of China, we exercised judgments and raised doubts as deemed professionally appropriate. We also performed the following tasks as an auditor:

1. Identifying and assessing risks of material misstatement due to fraud or error; designing and executing appropriate response measures for the identified risks; and obtaining adequate and appropriate audit evidence to support audit opinions. Fraud may involve conspiracy, forgery, intentional omission, untruthful declaration, or breach of internal control, and our audit did not find any material misstatement where the risk of fraud is greater than the risk of error.
2. Developing the required level of understanding on relevant internal controls and designing audit procedures that are appropriate under the prevailing circumstances, but without providing opinion on the effectiveness of internal control system of ONYX Group.
3. Assessing the appropriateness of accounting policies adopted by the management, and the rationality of accounting estimates and related disclosures made.
4. Forming conclusions regarding the appropriateness of management's decision to account for the business as a going concern, and whether there are doubts or uncertainties about the ability of ONYX Group to operate as a going concern, based on the audit evidence obtained. We are bound to remind consolidated financial statement users and make related disclosures if material uncertainties exist in regards to the abovementioned events or circumstances, and amend audit opinions when the disclosures are no longer appropriate. Our conclusions are based on the audit evidence obtained up to the date of audit report. However, future events or circumstances may still render ONYX Group no longer capable of operating as a going concern.
5. Assessing the overall presentation, structure, and contents of the consolidated financial statements (including related footnotes), and whether certain transactions and events are presented appropriately in the consolidated financial statements.
6. Obtaining sufficient and appropriate audit evidence on financial information of individual entities within the group, and expressing opinions on consolidated financial statements. Our responsibilities as auditor are to instruct, supervise and execute audits and form audit opinions on the group.

We have communicated with the governing body about the scope, timing, and significant findings (including significant defects identified in the internal control) of our audit.

We have also provided the governing body with a declaration of independence stating that all relevant personnel of the accounting firm have complied with auditors' professional ethics of

the Republic of China, and communicated with the governing body on all matters that may affect the auditor's independence (including protection measures).

We have identified the key audit issues after communicating with the governance body regarding the 2021 consolidated financial statements of ONYX Group. These issues have been addressed in our audit report except for: 1. Certain topics that are prohibited by law from disclosing to the public; or 2. Under extreme circumstances, topics that we decided not to communicate in the audit report because of higher negative impacts they may cause than the benefits they bring to public interest.

PwC Taiwan

Lin, Chun-Yao

CPA

Weng, Shih-Rong

(Formerly known as) Securities and Futures Commission,
The Ministry of Finance
Approval reference: (85)-Tai-Tsai-Cheng-(6)-68702
(Formerly known as) Securities and Futures Commission,
The Ministry of Finance
Approval reference: (88)-Tai-Tsai-Cheng-(6)-95577

February 24, 2022

ONYX Healthcare Inc. and Subsidiaries
Consolidated balance sheet
As at December 31, 2021 and 2020

Unit: NT\$ thousand

| Assets | Note | December 31, 2021 | | December 31, 2020 | | |
|---------------------------|---|-------------------|---------------------|-------------------|---------------------|------------|
| | | Amount | % | Amount | % | |
| Current assets | | | | | | |
| 1100 | Cash and cash equivalents | 6(1) | \$ 182,893 | 11 | \$ 392,364 | 28 |
| 1110 | Financial assets at fair value through profit or loss - current | 6(2) | 10,125 | 1 | 5,512 | 1 |
| 1150 | Net notes receivable | 6(3) | - | - | 49 | - |
| 1170 | Net accounts receivable | 6(3) | 202,843 | 12 | 152,067 | 11 |
| 1180 | Accounts receivable - related parties, net | 7 | 2,673 | - | 648 | - |
| 1200 | Other receivables | | 4,564 | - | 3,124 | - |
| 1220 | Current income tax asset | | 6,092 | - | - | - |
| 130X | Inventory | 6(4) | 271,219 | 16 | 179,305 | 13 |
| 1410 | Prepayments | | 16,486 | 1 | 16,513 | 1 |
| 1470 | Other current assets | 8 | 1,520 | - | 13,698 | 1 |
| 11XX | Total current assets | | <u>698,415</u> | <u>41</u> | <u>763,280</u> | <u>55</u> |
| Non-current assets | | | | | | |
| 1510 | Financial assets at fair value through profit or loss - non-current | 6(2) | 36,406 | 2 | 38,261 | 3 |
| 1517 | Financial assets at fair value through other comprehensive income - non-current | 6(5) | 32,381 | 2 | 2,381 | - |
| 1550 | Equity-accounted investments | 6(6) | 561,275 | 33 | 537,102 | 39 |
| 1600 | Property, plant and equipment | 6(7) | 24,321 | 2 | 20,440 | 1 |
| 1755 | Right-of-use assets | 6(8) and 7 | 44,683 | 3 | 9,279 | 1 |
| 1760 | Investment property - net | 6(10), 7, and 8 | 277,645 | 16 | - | - |
| 1780 | Intangible assets | | 4,589 | - | 5,134 | - |
| 1840 | Deferred income tax assets | 6(26) | 18,994 | 1 | 14,484 | 1 |
| 1900 | Other non-current assets | 8 | 3,224 | - | 2,844 | - |
| 15XX | Total non-current assets | | <u>1,003,518</u> | <u>59</u> | <u>629,925</u> | <u>45</u> |
| 1XXX | Total assets | | <u>\$ 1,701,933</u> | <u>100</u> | <u>\$ 1,393,205</u> | <u>100</u> |

(Continued next page)

ONYX Healthcare Inc. and Subsidiaries
Consolidated balance sheet
As at December 31, 2021 and 2020

Unit: NT\$ thousand

| Liabilities and equity | Note | December 31, 2021 | | December 31, 2020 | | |
|---|---|-------------------|---------------------|-------------------|---------------------|------------|
| | | Amount | % | Amount | % | |
| Current liabilities | | | | | | |
| 2100 | Short-term loans | 6(11) | \$ 105,000 | 6 | \$ - | - |
| 2130 | Contractual liabilities - current | 6(21) | 75,755 | 5 | 55,005 | 4 |
| 2170 | Accounts payable | | 91,857 | 5 | 58,615 | 4 |
| 2180 | Accounts payable - related parties | 7 | 32,673 | 2 | 37,860 | 3 |
| 2200 | Other payables | 6(13) and 7 | 73,754 | 4 | 67,473 | 5 |
| 2230 | Current income tax liabilities | | 18,846 | 1 | 45,150 | 3 |
| 2250 | Liability reserves - current | 6(16) | 6,272 | - | 6,672 | 1 |
| 2280 | Lease liabilities - current | 7 | 10,513 | 1 | 4,318 | - |
| 2320 | Long-term liabilities due within 1 year or 1 business cycle | 6(14) | 10,744 | 1 | - | - |
| 2399 | Other current liabilities - others | | 5,896 | - | 4,088 | - |
| 21XX | Total current liabilities | | <u>431,310</u> | <u>25</u> | <u>279,181</u> | <u>20</u> |
| Non-current liabilities | | | | | | |
| 2527 | Contractual liabilities - non-current | 6(21) | 42,138 | 3 | 53,072 | 4 |
| 2540 | Long-term loans | 6(14) | 155,043 | 9 | - | - |
| 2550 | Liability reserves - non-current | 6(16) | 1,999 | - | 1,942 | - |
| 2570 | Deferred income tax liabilities | 6(26) | 1,278 | - | 1,078 | - |
| 2580 | Lease liabilities - non-current | | 34,251 | 2 | 5,083 | - |
| 2645 | Guarantee deposits received | 7 | 1,148 | - | - | - |
| 25XX | Total non-current liabilities | | <u>235,857</u> | <u>14</u> | <u>61,175</u> | <u>4</u> |
| 2XXX | Total liabilities | | <u>667,167</u> | <u>39</u> | <u>340,356</u> | <u>24</u> |
| Equity | | | | | | |
| Equity attributable to parent company shareholders | | | | | | |
| Share capital | | | | | | |
| 3110 | Common share capital | 6(18) | 302,612 | 18 | 275,102 | 20 |
| Capital reserves | | | | | | |
| 3200 | Capital reserves | 6(17)(19) | 462,673 | 27 | 478,566 | 34 |
| Retained earnings | | | | | | |
| 3310 | Legal reserves | 6(20) | 118,655 | 7 | 101,948 | 7 |
| 3320 | Special reserves | | 44,993 | 3 | 40,263 | 3 |
| 3350 | Unappropriated earnings | | 146,858 | 8 | 192,050 | 14 |
| Other equity items | | | | | | |
| 3400 | Other equity items | | (49,896) | (3) | (44,993) | (3) |
| 31XX | Total equity attributable to parent company shareholders | | <u>1,025,895</u> | <u>60</u> | <u>1,042,936</u> | <u>75</u> |
| 36XX | Non-controlling equity | 4(3) | <u>8,871</u> | <u>1</u> | <u>9,913</u> | <u>1</u> |
| 3XXX | Total equity | | <u>1,034,766</u> | <u>61</u> | <u>1,052,849</u> | <u>76</u> |
| Major post-balance sheet date events | | | | | | |
| 3X2X | Total liabilities and equity | | <u>\$ 1,701,933</u> | <u>100</u> | <u>\$ 1,393,205</u> | <u>100</u> |

The attached Notes to consolidated financial statements are part of this consolidated financial statement and should be read in conjunction.

Chairman: Chuang, Yung-Shun

Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih

ONYX Healthcare Inc. and Subsidiaries
Consolidated statement of comprehensive income
For the periods January 1 to December 31, 2021 and 2020

Unit: NT\$ thousand
(except earnings per share, which are presented in NTD)

| Item | Note | 2021 | | 2020 | |
|--|------------------------|-------------------|--------------|-------------------|--------------|
| | | Amount | % | Amount | % |
| 4000 Operating revenues | 6(21) and 7 | \$ 1,201,760 | 100 | \$ 1,347,304 | 100 |
| 5000 Operating costs | 6(4)(24) (25) and 7 | (838,032) | (70) | (883,297) | (66) |
| 5900 Gross profit | | <u>363,728</u> | <u>30</u> | <u>464,007</u> | <u>34</u> |
| Operating expenses | 6(24) (25) and 7 | | | | |
| 6100 Selling expenses | | (139,758) | (12) | (161,960) | (12) |
| 6200 Administrative expenses | | (69,206) | (6) | (70,198) | (5) |
| 6300 R&D expenses | | (79,351) | (6) | (68,635) | (5) |
| 6450 Expected credit impairment loss | 12(2) | (902) | - | (2,553) | - |
| 6000 Total operating expenses | | <u>(289,217)</u> | <u>(24)</u> | <u>(303,346)</u> | <u>(22)</u> |
| 6900 Operating profit | | <u>74,511</u> | <u>6</u> | <u>160,661</u> | <u>12</u> |
| Non-operating income and expenses | | | | | |
| 7100 Interest income | | 137 | - | 665 | - |
| 7010 Other income | 6(22) and 7 | 14,754 | 1 | 9,746 | 1 |
| 7020 Other gains and losses | 6(23) | 3,150 | - | (1,887) | - |
| 7050 Financial costs | | (2,633) | - | (476) | - |
| 7060 Share of profits/losses on equity-accounted associated companies and joint ventures | | <u>50,193</u> | <u>4</u> | <u>33,903</u> | <u>2</u> |
| 7000 Total non-operating income and expenses | | <u>65,601</u> | <u>5</u> | <u>41,951</u> | <u>3</u> |
| 7900 Pre-tax profit | | <u>140,112</u> | <u>11</u> | <u>202,612</u> | <u>15</u> |
| 7950 Income tax expense | 6(26) | (13,603) | (1) | (37,705) | (3) |
| 8200 Current net income | | <u>\$ 126,509</u> | <u>10</u> | <u>\$ 164,907</u> | <u>12</u> |

(Continued next page)

ONYX Healthcare Inc. and Subsidiaries
Consolidated statement of comprehensive income
For the periods January 1 to December 31, 2021 and 2020

Unit: NT\$ thousand
(except earnings per share, which are presented in NTD)

| Item | Note | 2021 | | 2020 | | |
|--|-------|---|-------------------|-----------|-------------------|-----------|
| | | Amount | % | Amount | % | |
| Other comprehensive income (net) | | | | | | |
| Items not reclassified into profit or loss | | | | | | |
| 8320 | | Share of other comprehensive income from equity-accounted associated companies and joint ventures - not reclassified into profit or loss | (\$ 387) | - | (\$ 846) | - |
| 8310 | | Items not reclassified into profit or loss - total | (387) | - | (846) | - |
| Items likely to be reclassified into profit or loss | | | | | | |
| 8361 | | Financial statement translation differences arising from foreign operations | (4,963) | - | (4,406) | - |
| 8370 | | Share of other comprehensive income from equity-accounted associated companies and joint ventures - likely to be reclassified into profit or loss | (545) | - | (359) | - |
| 8399 | 6(26) | Income tax on items that are likely to be reclassified into profit or loss | 992 | - | 881 | - |
| 8360 | | Items likely to be reclassified into profit or loss - total | (4,516) | - | (3,884) | - |
| 8300 | | Other comprehensive income (net) | (\$ 4,903) | - | (\$ 4,730) | - |
| 8500 | | Total comprehensive income for the current period | \$ 121,606 | 10 | \$ 160,177 | 12 |
| Net income (loss) attributable to: | | | | | | |
| 8610 | | Parent company shareholders | \$ 127,551 | 10 | \$ 167,075 | 12 |
| 8620 | | Non-controlling equity | (1,042) | - | (2,168) | - |
| | | Total | <u>\$ 126,509</u> | <u>10</u> | <u>\$ 164,907</u> | <u>12</u> |
| Comprehensive income attributable to: | | | | | | |
| 8710 | | Parent company shareholders | \$ 122,648 | 10 | \$ 162,345 | 12 |
| 8720 | | Non-controlling equity | (1,042) | - | (2,168) | - |
| | | Total | <u>\$ 121,606</u> | <u>10</u> | <u>\$ 160,177</u> | <u>12</u> |
| Basic earnings per share | | | | | | |
| 9750 | 6(27) | Basic earnings per share | <u>\$ 4.22</u> | | <u>\$ 5.52</u> | |
| Diluted earnings per share | | | | | | |
| 9850 | 6(27) | Diluted earnings per share | <u>\$ 4.20</u> | | <u>\$ 5.49</u> | |

The attached Notes to consolidated financial statements are part of this consolidated financial statement and should be read in conjunction.

Chairman: Chuang, Yung-Shun

Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih

ONYX Healthcare Inc. and Subsidiaries
Consolidated statement of changes in equity
For the periods January 1 to December 31, 2021 and 2020

Unit: NT\$ thousand

| Note | Equity attributable to parent company shareholders | | | | | | | | | | Non-controlling equity | Total |
|------|--|------------------|----------------|------------------|-------------------------|---|--|--|--------------|------------------------|------------------------|-------|
| | Common share capital | Capital reserves | Legal reserves | Special reserves | Unappropriated earnings | Other equity items | | | Total | Non-controlling equity | | |
| | | | | | | Financial statement translation differences from foreign operations | Unrealized gains/losses on financial assets at fair value through other comprehensive income | Unrealized gains/losses on financial assets at fair value through other comprehensive income | | | | |
| 2020 | | | | | | | | | | | | |
| | Balance as at January 1, 2020 | \$ 220,082 | \$ 473,856 | \$ 78,010 | \$ - | \$ 276,245 | (\$ 4,100) | (\$ 36,163) | \$ 1,007,930 | \$ 12,081 | \$ 1,020,011 | |
| | Current net income (loss) | - | - | - | - | 167,075 | - | - | 167,075 | (2,168) | 164,907 | |
| | Other current comprehensive income | - | - | - | - | - | (3,884) | (846) | (4,730) | - | (4,730) | |
| | Total comprehensive income for the current period | - | - | - | - | 167,075 | (3,884) | (846) | 162,345 | (2,168) | 160,177 | |
| | Appropriation and distribution of 2019 earnings: | | | | | | | | | | | |
| | Provision for legal reserves | - | - | 23,938 | - | (23,938) | - | - | - | - | - | |
| | Provision for special reserves | - | - | - | 40,263 | (40,263) | - | - | - | - | - | |
| | Cash dividends | - | - | - | - | (132,049) | - | - | (132,049) | - | (132,049) | |
| | Stock dividends | 55,020 | - | - | - | (55,020) | - | - | - | - | - | |
| | Share-based payment | - | 4,710 | - | - | - | - | - | 4,710 | - | 4,710 | |
| | Balance as at December 31, 2020 | \$ 275,102 | \$ 478,566 | \$ 101,948 | \$ 40,263 | \$ 192,050 | (\$ 7,984) | (\$ 37,009) | \$ 1,042,936 | \$ 9,913 | \$ 1,052,849 | |
| 2021 | | | | | | | | | | | | |
| | Balance as at January 1, 2021 | \$ 275,102 | \$ 478,566 | \$ 101,948 | \$ 40,263 | \$ 192,050 | (\$ 7,984) | (\$ 37,009) | \$ 1,042,936 | \$ 9,913 | \$ 1,052,849 | |
| | Current net income (loss) | - | - | - | - | 127,551 | - | - | 127,551 | (1,042) | 126,509 | |
| | Other current comprehensive income | - | - | - | - | - | (4,516) | (387) | (4,903) | - | (4,903) | |
| | Total comprehensive income for the current period | - | - | - | - | 127,551 | (4,516) | (387) | 122,648 | (1,042) | 121,606 | |
| | Appropriation and distribution of 2020 earnings: | | | | | | | | | | | |
| | Provision for legal reserves | - | - | 16,707 | - | (16,707) | - | - | - | - | - | |
| | Provision for special reserves | - | - | - | 4,730 | (4,730) | - | - | - | - | - | |
| | Cash dividends | - | - | - | - | (123,796) | - | - | (123,796) | - | (123,796) | |
| | Stock dividends | 27,510 | - | - | - | (27,510) | - | - | - | - | - | |
| | Distribution of cash from capital reserves | - | (27,510) | - | - | - | - | - | (27,510) | - | (27,510) | |
| | Share-based payment | - | 11,617 | - | - | - | - | - | 11,617 | - | 11,617 | |
| | Balance as at December 31, 2021 | \$ 302,612 | \$ 462,673 | \$ 118,655 | \$ 44,993 | \$ 146,858 | (\$ 12,500) | (\$ 37,396) | \$ 1,025,895 | \$ 8,871 | \$ 1,034,766 | |

The attached Notes to consolidated financial statements are part of this consolidated financial statement and should be read in conjunction.

ONYX Healthcare Inc. and Subsidiaries
Consolidated cash flow statement
For the periods January 1 to December 31, 2021 and 2020

Unit: NT\$ thousand

| | Note | January 1 to December 31, 2021 | January 1 to December 31, 2020 |
|--|-----------|-----------------------------------|-----------------------------------|
| <u>Cash flow from operating activities</u> | | | |
| Pre-tax profit for the current period | | \$ 140,112 | \$ 202,612 |
| Adjustments | | | |
| Income, expenses, and losses | | | |
| Depreciation | 6(7)(8) | | |
| | (24) | 24,818 | 29,276 |
| Depreciation of investment properties (presented as other gains and losses) | 6(10)(23) | | |
| Amortization | 6(24) | 541 | - |
| Expected credit impairment loss | 12(2) | 1,678 | 952 |
| Loss (gain) on financial assets or liabilities at fair value through profit or loss | 6(2)(12) | 902 | 2,553 |
| Interest expenses | (23) | 921 | (2,544) |
| Interest income | | 2,633 | 476 |
| Dividend income | 6(22) | (137) | (665) |
| Share-based payment - remuneration | 6(17) | (6,218) | (1,623) |
| Share of profit from equity-accounted associated companies | | 11,617 | 4,710 |
| Loss on lease amendment | 6(8)(23) | (50,193) | (33,903) |
| | | 6 | - |
| Change in assets/liabilities related to operating activities | | | |
| Net change in assets related to operating activities | | | |
| Financial assets mandatory to be carried at fair value through profit or loss | | - | 153 |
| Notes receivable | | 49 | (49) |
| Accounts receivable | | (51,564) | 6,518 |
| Accounts receivable - related parties | | (2,025) | 1,814 |
| Other receivables | | (1,440) | 119 |
| Inventory | | (91,914) | (4,962) |
| Prepayments | | 27 | (2,149) |
| Other current assets | | (257) | 1,060 |
| Net change in liabilities related to operating activities | | | |
| Financial liabilities held for trading | | (55) | (1,211) |
| Contractual liabilities | | 9,816 | 14,970 |
| Accounts payable | | 33,242 | 5,122 |
| Accounts payable - related parties | | (5,187) | (29,553) |
| Other payables | | 5,264 | (7,453) |
| Other payables - related parties | | (516) | 309 |
| Liability reserves | | (343) | (2,493) |
| Other current liabilities | | 1,808 | 217 |
| Cash inflow from operating activities | | 23,585 | 184,256 |
| Interests received | | 137 | 665 |
| Dividends received | | 45,889 | 30,756 |
| Interests paid | | (2,581) | (476) |
| Income tax paid | | (49,902) | (24,095) |
| Net cash inflow from operating activities | | 17,128 | 191,106 |

(Continued next page)

ONYX Healthcare Inc. and Subsidiaries
Consolidated cash flow statement
For the periods January 1 to December 31, 2021 and 2020

Unit: NT\$ thousand

| | <u>Note</u> | <u>January 1 to December 31, 2021</u> | <u>January 1 to December 31, 2020</u> |
|--|-------------|---|---|
| <u>Cash flow from investing activities</u> | | | |
| Acquisition of financial assets at fair value through profit or loss | | (\$ 3,623) | (\$ 179) |
| Disposal of financial assets at fair value through profit or loss | | - | 3,865 |
| Decrease in restricted assets (presented as other current assets) | | - | 45 |
| Acquisition of financial assets at fair value through other comprehensive income | | (30,000) | - |
| Acquisition of equity-accounted investments | | (14,584) | (27,951) |
| Acquisition of property, plant, and equipment | 6(28) | (294,769) | (11,290) |
| Disposal of property, plant, and equipment | 6(7) | 19 | - |
| Acquisition of intangible assets | | (1,133) | (5,533) |
| Decrease (increase) in guarantee deposits paid | | 12,030 | (12,848) |
| Net cash outflow from investing activities | | <u>(332,060)</u> | <u>(53,891)</u> |
| <u>Cash flow from financing activities</u> | | | |
| Increase in short-term loans | 6(29) | 105,000 | - |
| Borrowing of long-term loan | 6(29) | 172,000 | - |
| Repayment of long-term loan | 6(29) | (6,213) | - |
| Repayment of lease principal | 6(29) | (10,736) | (16,862) |
| Increase in guarantee deposits received | | 1,148 | - |
| Cash dividends paid | 6(20) | (123,796) | (132,049) |
| Distribution of cash from capital reserves | 6(19) | (27,510) | - |
| Net cash inflow (outflow) from financing activities | | <u>109,893</u> | <u>(148,911)</u> |
| Exchange rate impact | | <u>(4,432)</u> | <u>(4,495)</u> |
| Decrease in cash and cash equivalents for the current period | | (209,471) | (16,191) |
| Opening cash and cash equivalents balance | 6(1) | <u>392,364</u> | <u>408,555</u> |
| Closing cash and cash equivalents balance | 6(1) | <u>\$ 182,893</u> | <u>\$ 392,364</u> |

The attached Notes to consolidated financial statements are part of this consolidated financial statement and should be read in conjunction.

Chairman: Chuang, Yung-Shun

Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih

Onyx Healthcare Inc.

Comparison of Amendments to "Asset Acquisition and Disposal Procedures"

| Amended clause | Existing clause | Description |
|--|--|---|
| <p>Article 4 Applicable assets and terminology (Omitted 1-2)</p> <p>3. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <p>(1) May not have previously received a final and unappealable sentence of imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since serving the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>(2) May not be a related</p> | <p>Article 4 Applicable assets and terminology (Omitted 1-2)</p> <p>3. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <p>(1) May not have previously received a final and unappealable sentence of imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since serving the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>(2) May not be a related</p> | <p>1. Considering that external professionals are bound to perform services according to the rules of the associations they are affiliated with, Paragraph 3 has been amended to outline the procedures to be observed and the responsibilities to be fulfilled by external professionals, such as professional valuers, CPAs, lawyers, or securities underwriters, when issuing valuation reports or opinions. In addition to the items listed in Paragraph 3, external professionals shall also observe the self-disciplinary rules of the respective associations they are affiliated with.</p> <p>2. Considering that issuance of valuation reports or rationality opinions under the guidelines are different from financial statement audit service, the term "when examining a case" in Paragraph 4, Subparagraph 2 has been amended to "When executing a case" for broader applicability.</p> <p>3. Wordings of Paragraph 4, Subparagraphs 3 and 4 were revised for practicality after taking</p> |

| Amended clause | Existing clause | Description |
|--|---|--|
| <p>party or de facto related party of any party to the transaction.</p> <p>(3) If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</p> <p>4. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with <u>self-discipline rules of their respective associations</u> and the following:</p> <p>(1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>(2) <u>When executing</u> a case, they shall appropriately plan and execute adequate working procedures in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>(3) They shall undertake an item-by-item evaluation of the <u>appropriateness</u></p> | <p>party or de facto related party of any party to the transaction.</p> <p>(3) If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</p> <p>4. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <p>(1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>(2) <u>When examining</u> a case, they shall appropriately plan and execute adequate working procedures in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>(3) They shall undertake an item-by-item evaluation of the <u>comprehensiveness, accuracy, and</u></p> | <p>into consideration how external professionals actually source and evaluate data, parameters, and information and the context of Article 9, Paragraph 4, Subparagraph 4, Item 3-5 of Regulations Governing the Preparation of Financial Reports by Securities Issuers, Interpretation No. (103)-Ji-Mi-Zi-000000298 issued by Accounting Research and Development Foundation of The Republic of China on December 25, 2014, and Article 27 of Valuation Standards No. 8 regarding the source of information and the appropriateness as well as the rationality of information used.</p> |

| Amended clause | Existing clause | Description |
|---|---|---|
| <p>and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>(4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>appropriate and reasonable</u>, and that they have complied with applicable laws and regulations.</p> | <p>reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>(4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>reasonable and accurate</u>, and that they have complied with applicable laws and regulations.</p> | |
| <p>Article 6 Procedures for acquisition or disposal of property, plant, and equipment and right-of-use assets thereof (Omitted 1-3)</p> <p>4. Appraisal report for property and equipment In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of</p> | <p>Article 6 Procedures for acquisition or disposal of property, plant, and equipment and right-of-use assets thereof (Omitted 1-3)</p> <p>4. Appraisal report for property and equipment In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of</p> | <p>1. Terms of Paragraph 4, Subparagraph 3 that require CPAs to follow Statement of Financial Accounting Standards No. 20 published by ARDF were deleted due to redundancy, considering that Article 4 has already been revised with additional requirements for external professionals to comply with self-discipline rules of the respective associations they are affiliated with.</p> |

| Amended clause | Existing clause | Description |
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| <p>occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p> <p>(2) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>(3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal and render a specific opinion regarding the reason for the discrepancy and the</p> | <p>occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p> <p>(2) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>(3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal <u>in accordance with the provisions of auditing standards published by the ROC Accounting Research</u></p> | |

| Amended clause | Existing clause | Description |
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| <p>appropriateness of the transaction price:</p> <p>1. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>2. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>(4) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, the original professional appraiser may still issue an opinion.</p> | <p><u>and Development Foundation (ARDF)</u></p> <p>and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>1. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>2. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>(4) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, the original professional appraiser may still issue an opinion.</p> | |
| <p>Article 7 Procedures for acquisition and disposal of securities (Omitted 1-3)</p> <p>4. Expert opinion 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</p> | <p>Article 7 Procedures for acquisition and disposal of securities (Omitted 1-3)</p> <p>4. Expert opinion 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</p> | <p>Amended for the same reasons as described for Article 6.</p> |

| Amended clause | Existing clause | Description |
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| <p>certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent 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. However, this requirement does not apply to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p> | <p>certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent 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. <u>If the CPA needs to use an expert's report as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u> However, this requirement does not apply to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p> | |
| <p>Article 9 When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds</p> | <p>Article 9 When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds</p> | <p>1. Renumbered Paragraphs 3 and 4 to Paragraphs 2 and 3. 2. Addition of Paragraph 4: (1) In an attempt to tighten management over related party transactions while enforcing the rights of minority shareholders of public companies to express opinions on related party transactions, the Company has amended the procedures after taking into consideration rules of the world's major capital markets, such as</p> |

| Amended clause | Existing clause | Description |
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| <p>issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the transaction is supported by more than half of Audit Committee members and approved by the board of directors:</p> <ol style="list-style-type: none"> 1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets. 2. The reason for choosing the related party as a transaction counterparty. 3. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 10 and Article 11. 4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the Company and the related party. 5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing the contract, evaluation of the necessity of the transaction, and | <p>issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the transaction is supported by more than half of Audit Committee members and approved by the board of directors:</p> <ol style="list-style-type: none"> 1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets. 2. The reason for choosing the related party as a transaction counterparty. 3. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 10 and Article 11. 4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the Company and the related party. 5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing the contract, evaluation of the necessity of the transaction, and | <p>Singapore and Hong Kong, which requires all material related party transactions to be approved in a shareholder meeting. Furthermore, to prevent public companies from circumventing shareholders' consent by engaging in material related party transactions through subsidiaries that are not domestic public companies, it has been explicitly stated in the procedures that any acquisition or disposal of assets with a related party, either by a public company or through any of its subsidiaries that is not a domestic public company, that amounts to more than 10% of the public company's total assets (as described in Paragraph 1) shall have relevant information presented for approval during a shareholder meeting before proceeding. For non-public subsidiaries, shareholder meeting approval shall be sought from the immediate parent that meets the definition of a public company.</p> <p>(2) This addition was introduced to accommodate a public company's overall business plans with its parent and subsidiaries, and plans between subsidiaries. Exemption</p> |

| Amended clause | Existing clause | Description |
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| <p>reasonableness of the fund's utilization.</p> <p>6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding Article.</p> <p>7. Restrictive covenants and other important stipulations associated with the transaction.</p> <p>With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company's board of directors may pursuant to Article 6, paragraph 2 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors</p> | <p>reasonableness of the fund's utilization.</p> <p>6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding Article.</p> <p>7. Restrictive covenants and other important stipulations associated with the transaction.</p> <p><u>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 26, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors and recognized by the supervisors need not be counted toward the transaction amount.</u></p> <p>With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company's board of directors may pursuant to Article 6, paragraph 2 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <p>1. Acquisition or disposal</p> | <p>of shareholder meeting resolution on transactions between the above parties has been introduced after taking into account the exemption rules of major capital markets mentioned above.</p> <p>(3) For material related party transactions that exhibit any of the conditions listed in Article 185, Paragraph 1, Subparagraphs 1 to 3 of The Company Act, the shareholder meeting resolution shall be made by way of special resolution as mentioned in Article 185 of The Company Act, and proceed according to the aforementioned requirements and relevant rules of The Company Act.</p> <p>3. Renumbered Paragraph 2 to Paragraph 5, and introduced a new requirement to have transaction amount calculations approved in shareholder meeting to accommodate the addition of Paragraph 4.</p> |

| Amended clause | Existing clause | Description |
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| <p>meeting:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property right-of-use assets held for business use. <p>When a matter is submitted for discussion by the board of directors pursuant to Paragraph 1, 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 board of directors meeting minutes. The Company has assembled an Audit Committee; the matters for which Paragraph 1 requires recognition by the supervisors shall first be approved by one-half or more of all Audit Committee members and then submitted to the board of directors for a resolution, and shall be subject to mutatis mutandis application of Article 30.</p> <p><u>Should the Company or any of its subsidiaries that is not a domestic public company undertake any of the transactions described in Paragraph 1 for an amount exceeding 10% of the Company's total assets, the Company shall present all information listed in Paragraph 1 for approval during shareholder meeting before proceeding with contract signing and payment. This requirement</u></p> | <p>of equipment or right-of-use assets thereof held for business use.</p> <ol style="list-style-type: none"> 2. Acquisition or disposal of real property right-of-use assets held for business use. <p>When a matter is submitted for discussion by the board of directors pursuant to Paragraph 1, 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 board of directors meeting minutes. The Company has assembled an Audit Committee; the matters for which Paragraph 1 requires recognition by the supervisors shall first be approved by one-half or more of all Audit Committee members and then submitted to the board of directors for a resolution, and shall be subject to mutatis mutandis application of Article 30.</p> | |

| Amended clause | Existing clause | Description |
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| <p><u>does not apply to transactions between the Company and its parent company, subsidiary, or subsidiaries.</u></p> <p><u>The calculation of the transaction amounts referred to in Paragraph 1 and the preceding paragraph shall be made in accordance with Article 26, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by shareholders in a shareholder meeting and by the board of directors and recognized by the Audit Committee need not be counted toward the transaction amount.</u></p> | | |
| <p>Article 13 Procedures for acquisition or disposal of memberships or intangible assets <u>or right-of-use assets thereof</u></p> <p>Omitted 1.-3.</p> <p>4. Expert's report on memberships or intangible assets</p> <p>(1) Acquisition or disposal of membership that amounts to more than three million New Taiwan Dollars has to be supported with a professional appraiser's report.</p> <p>(2) Acquisition or disposal of intangible assets that amount to more than 2% of the Company's net worth must be supported with a professional appraiser's report.</p> | <p>Article 13 Procedures for acquisition or disposal of memberships or intangible assets</p> <p>(Omitted 1-3)</p> <p>4. Expert's report on memberships or intangible assets</p> <p>(1) Acquisition or disposal of membership that amounts to more than three million New Taiwan Dollars has to be supported with a professional appraiser's report.</p> <p>(2) Acquisition or disposal of intangible assets that amount to more than 2% of the Company's net worth must be supported with a professional appraiser's report.</p> | <p>Amended for the same reasons as described for Article 6.</p> |

| Amended clause | Existing clause | Description |
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| <p>(3) Except in situations where the counterparty is a domestic government agency, acquisition or disposal of membership or intangible asset or right-of-use assets thereof that amounts to 20% of the Company's paid-in capital or NTD 300 million or above shall be supported by CPA's opinions issued prior to the date of occurrence in regards to the rationality of the transaction price.</p> | <p>(3) Except in situations where the counterparty is a domestic government agency, acquisition or disposal of membership or intangible asset or right-of-use assets thereof that amounts to 20% of the Company's paid-in capital or NTD 300 million or above shall be supported by CPA's opinions issued <u>according to Statement on Auditing Standards No. 20 published by ADRF</u> prior to the date of occurrence in regards to the rationality of the transaction price.</p> | |
| <p>Article 26 When acquiring or disposing of assets under any of the following circumstances, the Company shall, after becoming public, publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total | <p>Article 26 When acquiring or disposing of assets under any of the following circumstances, the Company shall, after becoming public, publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total | <ol style="list-style-type: none"> 1. Amended Paragraph 1, Subparagraph 7, Item 1, considering that public companies are no longer required to announce and report trading of domestic government bonds. Meanwhile, trading foreign government bonds with an issuer rating no less than the sovereign rating of Taiwan is also exempted from public announcements and reports. 2. Amendments were made considering that foreign government bonds tend to be simple and more credit worthy compared to foreign ordinary corporate bonds. Furthermore, considering that exchange-traded notes and exchange-traded funds are similar in |

| Amended clause | Existing clause | Description |
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| <p>assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>2. Merger, demerger, acquisition, or transfer of shares.</p> <p>3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the Procedures adopted by the Company.</p> <p>4. Where the type of equipment or right-of-use assets thereof acquired or disposed of is for business use, and the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:</p> <p>(1) Where the Company's paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.</p> <p>(2) Where the Company's paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.</p> <p>5. Acquisition or disposal of real property or</p> | <p>assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>2. Merger, demerger, acquisition, or transfer of shares.</p> <p>3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the Procedures adopted by the Company.</p> <p>4. Where the type of equipment or right-of-use assets thereof acquired or disposed of is for business use, and the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:</p> <p>(1) Where the Company's paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.</p> <p>(2) Where the Company's paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.</p> <p>5. Acquisition or disposal of real property or</p> | <p>nature, amendments were made to Paragraph 1, Subparagraph 7, Item 2 to exempt public announcement and to report on the subscription of foreign government bonds in the primary market and subscription/redemption of exchange-traded notes if the Company specializes in the investment profession.</p> |

| Amended clause | Existing clause | Description |
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| <p>right-of-use assets thereof for construction use, as part of the Company's construction business, and the transaction counterparty is not a related party, and the transaction amount does not reach NT\$500 million; among such cases, if the Company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.</p> <p>6. Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million.</p> <p>7. Where an asset transaction other than any of those referred to</p> | <p>right-of-use assets thereof for construction use, as part of the Company's construction business, and the transaction counterparty is not a related party, and the transaction amount does not reach NT\$500 million; among such cases, if the Company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.</p> <p>6. Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million.</p> <p>7. Where an asset transaction other than any of those referred to</p> | |

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| <p>in the preceding six Subparagraphs, disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>(1) Trading of domestic government bonds <u>or foreign government bonds that have a credit rating no less than the sovereign rating of Taiwan.</u></p> <p>(2) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of <u>foreign corporate bonds or ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or redemption of</u> <u>exchange-traded notes,</u> or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending</p> | <p>in the preceding six Subparagraphs, disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>(1) Trading of domestic government bonds.</p> <p>(2) Where done by professional investors—domestic/overseas—securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the domestic-primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an Emerging Stock company, in accordance with the rules of the</p> | |

| Amended clause | Existing clause | Description |
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| <p>securities firm for an Emerging Stock company, in accordance with the rules of the Taipei Exchange.</p> <p>(3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>The amount of transactions above shall be calculated as follows:</p> <ol style="list-style-type: none"> 1. The amount of any individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year. 3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year. 4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year. <p>"Within the preceding year"</p> | <p>Taipei Exchange.</p> <p>(3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>The amount of transactions above shall be calculated as follows:</p> <ol style="list-style-type: none"> 1. The amount of any individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year. 3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year. 4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year. <p>"Within the preceding year" as used in the preceding</p> | |

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| <p>as used in the preceding Paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Procedures need not be counted toward the transaction amount.</p> <p>The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the Company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.</p> <p>When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowledge of such error or omission.</p> <p>When acquiring or disposing of assets, the Company shall keep all relevant contracts, meeting minutes, logbooks, appraisal reports and CPA, attorney, and securities underwriter opinions at the Company. They shall be retained for 5 years except where another act is provides otherwise.</p> | <p>Paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Procedures need not be counted toward the transaction amount.</p> <p>The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by <u>the</u> Company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.</p> <p>When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowledge of such error or omission.</p> <p>When acquiring or disposing of assets, the Company shall keep all relevant contracts, meeting minutes, logbooks, appraisal reports and CPA, attorney, and securities underwriter opinions at the Company. They shall be retained for 5 years except where another act is provides otherwise.</p> | |
| <p>Article 32 The procedures were established on June 27, 2014</p> | <p>Article 32 The procedures were established on June 27, 2014</p> | <p>Added revision dates</p> |

| Amended clause | Existing clause | Description |
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| <p>The 1st amendment was made on April 30, 2015</p> <p>The 2nd amendment was made on February 23, 2016</p> <p>The 3rd amendment was made on July 22, 2016</p> <p>The 4th amendment was made on May 23, 2017</p> <p>The 5th amendment was made on September 18, 2018</p> <p>The 6th amendment was made on May 29, 2019</p> <p><u>The 7th amendment was made on May 31, 2022</u></p> | <p>The 1st amendment was made on April 30, 2015</p> <p>The 2nd amendment was made on February 23, 2016</p> <p>The 3rd amendment was made on July 22, 2016</p> <p>The 4th amendment was made on May 23, 2017</p> <p>The 5th amendment was made on September 18, 2018</p> <p>The 6th amendment was made on May 29, 2019</p> | |

ONYX Healthcare Inc.

Comparison of Amendments to "Articles of Incorporation"

| Amended clause | Existing clause | Description |
|--|--|---|
| <p>Article 18 The Company has <u>7</u> to 9 directors, who are elected in shareholder meetings from persons of adequate capacity. The term of directorship is three years, and is renewable if re-elected. Election of the Company's directors shall proceed using the cumulative method. Each share is vested with voting rights equal to the number of directors to be elected; these voting rights may be concentrated on one candidate or spread across multiple candidates. Candidates receiving the highest number of votes are elected as directors. Any changes to the election process described above shall proceed in accordance with Article 172 of The Company Act and advised to meeting participants in advance in the agenda. Amongst the directors chosen above, there shall be no fewer than three independent directors representing no less than <u>one-third</u> of the board. Directors are elected using the nomination system, where shareholders vote from a list of director candidates during a shareholder meeting. The nomination shall proceed according to Article 192-1 of The Company Act. Restrictions concerning independent directors' eligibility, shareholding, concurrent employment, nomination, method of election and all other compliance issues are governed by relevant laws of the securities authority.</p> | <p>Article 18 The Company has <u>5</u> to 9 directors, who are elected in shareholder meetings from persons of adequate capacity. The term of directorship is three years, and is renewable if re-elected. Election of the Company's directors shall proceed using the cumulative method. Each share is vested with voting rights equal to the number of directors to be elected; these voting rights may be concentrated on one candidate or spread across multiple candidates. Candidates receiving the highest number of votes are elected as directors. Any changes to the election process described above shall proceed in accordance with Article 172 of The Company Act and advised to meeting participants in advance in the agenda. Amongst the directors chosen above, there shall be no fewer than three independent directors representing no less than <u>one-fifth</u> of the board. Directors are elected using the nomination system, where shareholders vote from a list of director candidates during a shareholder meeting. The nomination shall proceed according to Article 192-1 of The Company Act. Restrictions concerning independent directors' eligibility, shareholding, concurrent employment, nomination, method of election and all other compliance issues are governed by relevant laws of the securities authority.</p> | <p>Amendments were made in line with the authority's amendment of "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies"</p> <p>(Letter No. Zheng-Gui-Jian-Zi-11000715832 dated December 13, 2021)</p> |
| <p>Article 20 The board of directors shall appoint one Chairman during a board meeting with more than two-thirds of directors present, and with the support of more than half of all attending directors. The Chairman serves as the Company's representative to the outside world. <u>The Company may create one Vice</u></p> | <p>Article 20 The board of directors shall appoint one Chairman during a board meeting with more than two-thirds of directors present, and with the support of more than half of all attending directors. The Chairman serves as the Company's representative to the outside world.</p> | <p>Newly added term.</p> |

| Amended clause | Existing clause | Description |
|---|--|---|
| <p><u>Chairman position and have directors elect amongst themselves using the same method.</u></p> | | |
| <p>Article 30 This Articles of Incorporation was established on January 25, 2010, and shall take effect once approved by the authority. The same applies to all subsequent amendments. The 1st amendment was made on December 8, 2011. (Omitted) The 9th amendment was made on July 2, 2021. <u>The 10th amendment was made on May 31, 2022.</u></p> | <p>Article 30 This Articles of Incorporation was established on January 25, 2010, and shall take effect once approved by the authority. The same applies to all subsequent amendments. The 1st amendment was made on December 8, 2011. (Omitted) The 9th amendment was made on July 2, 2021.</p> | <p>Added date of amendment (the annual general meeting dated May 31, 2022).</p> |

Attachment VII

2022 Annual General Meeting of ONYX Healthcare Inc.

Name List of Candidates for Director

| No. | Title | Name | Education | Experiences | Current Position | Holding Shares |
|-----|----------|---|--|--|---|----------------|
| 1 | Director | JUI HAI Investment Co., LTD Representative: Chuang, Yung- Shun | Ph.D. of Engineering (honors), National Taiwan University of Science and Technology | Chairman of AAEON Technology Inc. | Chairman of AAEON Technology Inc. Chairman of ONYX Healthcare Inc. | 219,080 |
| 2 | Director | AAEON Technology Inc. Representative: Wang, Feng-Hsiang | MBA, City University of New York | ONYX Healthcare – Vice President AAEON Technology – Vice President Advantech - Manager | ONYX Healthcare Inc.- President | 16,257,179 |
| 3 | Director | AAEON Technology Inc. Representative: Lin, Chien-Hung | Graduate Institute of Electrical Engineering, National Taiwan University | AAEON Technology Inc. - President Hewlett-Packard Company - Vice President Advantech Co., Ltd. - General Manager of Europe Advantech Co., Ltd. – Vice President | AAEON Technology Inc.- President | 16,257,179 |
| 4 | Director | Lee, Tsu-Der | Bachelor of | Taipei Medical University - Chairman | Taipei Medical University - Director | 0 |

| No. | Title | Name | Education | Experiences | Current Position | Holding Shares |
|-----|----------------------|----------------|---|--|--|----------------|
| | | | Dentistry, Taipei Medical University | ScinoPharm Taiwan - Director Beijing Meida Starbucks Coffee Limited Company - Chairman Shandong Kexing Bioproducts Co., Ltd. - Chairman H&Q Asia Pacific - President, China Zhong An Fund Management Limited (Hong Kong) - President | | |
| 5 | Independent Director | Lee, Chih-Hao | National Chengchi University - MBA | Tien Yu International Technology Consulting Co., Ltd. - Chairman InnoStar Asset Management Co., Ltd. - Chairman NTUT Star Venture Capital Investment Co., Ltd. - Chairman Zhinan Star Venture Capital Investment Co., Ltd. - Chairman NTUST Star Venture Capital Investment Co., Ltd. - Chairman AREC Inc. - Director | Tien Yu International Technology Consulting Co., Ltd. - Chairman InnoStar Asset Management Co., Ltd. - Chairman NTUT Star Venture Capital Investment Co., Ltd. - Chairman Zhinan Star Venture Capital Investment Co., Ltd. - Chairman NTUST Star Venture Capital Investment Co., Ltd. - Chairman AREC Inc. - Director | 0 |
| 6 | Independent Director | Tseng, Ho-Chun | Montclair State University - Master of Computer Science | Yonghe Investment Co., Ltd. - Chairman Atech (Yichang) OEM Inc. - Director Litemax Electronics Inc. - Director | Yonghe Investment Co., Ltd. - Chairman Atech (Yichang) OEM Inc. - Director Litemax Electronics Inc. - Director | 57,169 |

| No. | Title | Name | Education | Experiences | Current Position | Holding Shares |
|-----|----------------------|----------------|--|--|---|----------------|
| 7 | Independent Director | Liao, Hsiu-Mei | National Taipei University - PhD in Accounting | Ming Chuan University - Professor and also Chair of Accounting Department Supervisor of the 5th Private School Pension Fund Management Committee. | Ming Chuan University - Professor and also Chair of Accounting Department | 0 |

Attachment VIII

For the proposal for removal of restrictions on competing business involvement from the new directors and their representatives as follows:

| Title | Name | Concurrently hold a position with other company |
|----------|---|---|
| Director | JUI HAI Investment Co., LTD Representative: Chuang, Yung- Shun | AAEON Electronics Inc. - Director, AEON TECHNOLOGY (Europe) B.V. - Director, AEON TECHNOLOGY GMBH - Director, AEON TECHNOLOGY SINGAPORE PTE. LTD. - Director, AAEON Technology Inc. Chairman & corporate representative, AAEON Technology (Suzhou) Inc. Chairman & corporate representative, AAEON Investment Co., Ltd. Chairman & corporate representative, Yan Sin Investment Co., Ltd. - Chairman, AAEON Foundation - Director, Fu Li Investment Co., Ltd. - Chairman, Mcfees Group Inc. - Director, Everfocus Electronics Corp. - Chairman, Allied Biotech Corp. - Director, King Core Electronics Inc. - Director, Atech OEM Inc. - Director, Qiye Electronic (Dongguan) Co., Ltd. - Director, Outstanding Electronics Manufacturer (Danyang) Co., Ltd. - Director, Machvision Inc. Co., Ltd. - Director, Machvision (Dongguan) Corp. - Director, Top Union Electronics (Suzhou) Corp. - Director & corporate representative, Top Union Electronics Corp. - Independent Director, Allied Oriental International Ltd. - Director & corporate representative, Litemax Electronics Inc. - Director, Litemax Technology, Inc. - Director, ONYX Healthcare Inc. - Chairman & corporate representative, Onyx Healthcare (Shanghai) Inc. - Chairman & corporate representative, ONYX Healthcare Europe B.V - Director, ONYX Healthcare USA, Inc. - Director, iHelper Inc. - Director & corporate representative, Winmate Inc. Director & corporate representative, XAC Automation Corp. - Director & corporate representative, CHC Healthcare Group - Director & corporate representative, Sunengine Corporation Ltd. - Director & corporate representative, New Future Capital Director & corporate representative, iBase Technology Inc. - Director & corporate representative, Taiflex Scientific CO., LTD - Independent Director. |
| Director | AAEON Technology Inc. Representative: Wang, Feng- Hsiang | ONYX HEALTHCARE USA, INC. - Director, ONYX HEALTHCARE EUROPE B.V. - Director & President, Onyx Healthcare (Shanghai) Inc. - Director & President, iHelper Inc. - Director & corporate representative, iHelper Inc. - President, Melten Connected Healthcare Inc. - Director. |
| Director | AAEON Technology Inc. Representative: Lin, Chien-Hung | AAEON Technology Inc.- President |
| Director | Lee, Tsu-Der | H&Q Biotech Management Consultant Co., Ltd. – Chairman, Taipei Medical University - Director 、Diamond Capital Management Co., Ltd. - Director & corporate representative, Diamond Biofund - Director & corporate representative,, Hsin Yao Biotech Investment Co., Ltd. - Director & corporate representative, Microbio (Shanghai) Co., Ltd.- Director & corporate representative, iHelper Inc. - Director. |

| Title | Name | Concurrently hold a position with other company |
|----------------------|----------------|--|
| Independent Director | Lee, Chih-Hao | Tien Yu International Technology Consulting Co., Ltd. - Chairman InnoStar Asset Management Co., Ltd. - Chairman NTUT Star Venture Capital Investment Co., Ltd. - Chairman Zhinan Star Venture Capital Investment Co., Ltd. - Chairman NTUST Star Venture Capital Investment Co., Ltd. - Chairman AREC Inc. - Director |
| Independent Director | Tseng, Ho-Chun | Litemax Electronics Inc. - Director |
| Independent Director | Liao, Hsiu-Mei | KairosTech Innovation Corp. - Director Kairos Global Corporation - Supervisor |

Articles of Incorporation of Onyx Healthcare Inc.

Chapter One General Provisions

- Article 1: The Company is incorporated according to The Company Act, and has been named Onyx Healthcare Inc.
- Article 2: Business activities of the Company are as follows:
1. CC01080 Electronic Parts and Components Manufacturing
 2. CC01100 Restrained Telecom Radio Frequency Equipments and Materials Manufacturing
 3. CC01110 Computers and Peripheral Equipment Manufacturing
 4. CC01120 Data Storage Media Manufacturing and Duplicating
 5. CE01010 Precision Instruments Manufacturing
 6. CF01011 Medical Equipments Manufacturing
 7. E605010 Computing Equipments Installation Construction
 8. EZ05010 Apparatus Installation Construction
 9. F108031 Wholesale of Drugs, Medical Goods
 10. F113030 Wholesale of Precision Instruments
 11. F118010 Wholesale of Computer Software
 12. F119010 Wholesale of Electronic Materials
 13. F208031 Retail Sale of Medical Equipments
 14. F213030 Retail Sale of Computing and Business Machinery Equipment
 15. F213040 Retail Sale of Precision Instruments
 16. F214990 Retail Sale of Other Transport Equipment and Parts
 17. F218010 Retail Sale of Computer Software
 18. F219010 Retail Sale of Electronic Materials
 19. F401010 International Trade
 20. F601010 Intellectual Property
 21. I301010 Software Design Services
 22. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3: The Company may offer endorsement and guarantee to external parties as needed for business activities or by invested businesses, subject to the Company's endorsement and guarantee procedures. Except for the circumstances mentioned in Article 15 of The Company Act, the Company shall not lend capital to shareholders or any third party.
- Article 4: The Company may invest in other businesses as deemed necessary, and may become a limited-liability shareholder of another company subject to board of directors' resolution. Sum of the Company's investments is not subject to the limitations stated in Article 13 of The Company Act (i.e., 40% of paid-up capital).
- Article 5: The Company is headquartered in New Taipei City, and may establish domestic or foreign branches subject to board of directors' approval.
- Article 6: Public announcements of the Company shall be duly made in accordance with Article 28 of The Company Act.

Chapter Two Share Capital

- Article 7: Authorized capital of the Company is set at five hundred million New Taiwan Dollars, available in fifty million shares of ten New Taiwan Dollars each. The board of directors is authorized to make multiple issues of shares up to the authorized capital.
The Company shall reserve six million shares from the above share capital for issuance of employee warrant at a face value of ten New Taiwan Dollars each. The board of directors is authorized to make multiple issues of the reserved shares as deemed necessary.
- Article 8: Any issuance of warrant to employees with exercise price below market price (or net worth per share) shall be resolved in a shareholder meeting with the presence of shareholders representing more than half of outstanding shares, and voted in favor by more than two-thirds of votes present in the meeting.
Any sale of shares to employees at prices below the Company's average purchase price shall be resolved in a shareholder meeting with the presence of shareholders representing more than half of outstanding shares, and voted in favor by more than two-thirds of votes present in the meeting.
The Company may transfer treasury stock, issue warrants, make cash issues, and issue restricted shares to its employees, including employees of controlled entities or subsidiaries who satisfy certain criteria. This criterion is determined by the board of directors.
- Article 9: The Company may withdraw public offering of shares only with resolutions sought from a shareholder meeting.
- Article 10: All shares of the Company shall be issued to registered owners only. Share certificates are issued with the signatures or authorized seals of the directors, and are subject to certification by the authority or any of its approved registrars.
Shares of the Company may be issued in non-tangible form, subject to registration with the centralized securities depository. The same applies to other securities issued by the Company.
Shares issued under the preceding paragraph shall be registered with or placed under the custody of the central securities depository. Security certificates of higher face value can be issued to replace existing certificates if requested by the central securities depository.
- Article 11: Changes to the shareholder registry are suspended during the periods mentioned in Article 165 of The Company Act.
Transfer of shares shall proceed according to The Company Act and "Regulations Governing the Administration of Shareholder Services of Public Companies."

Chapter Three Shareholders Meeting

- Article 12: The Company holds two types of shareholder meeting: an annual general meeting and extraordinary shareholder meeting. Annual general meetings are convened by the board of directors once a year within six

months after the end of each financial year. Extraordinary shareholder meetings may be held whenever deemed necessary, subject to compliance with laws.

Article 13: Convention of an annual general meeting shall be communicated to shareholders with details including date, venue and agenda at least 30 days in advance, or 15 days for extraordinary shareholders meetings. For shareholders that hold less than one thousand shares, meeting advices can be communicated by way of public announcement instead.

Article 14: If a shareholder is unable to attend the shareholder meeting in person, a proxy can be appointed in accordance with Article 177 of The Company Act by presenting a properly signed/sealed proxy form printed in the Company's prescribed format that specifies in details the scope of delegated authority.

In addition to the above Paragraph, delegation of proxy attendants shall also comply with "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies."

Article 15: Shareholders of the Company are entitled to one vote for every share held, except for the circumstances described in Article 179 of The Company Act where shareholders are restricted or prohibited from exercising voting rights.

When listed on TWSE (TPEX), the Company shall make electronic voting as one of the ways for shareholders to exercise voting rights.

Article 16: Except otherwise regulated by law or stated in the Articles of Incorporation, a shareholder meeting resolution is passed when more than 50% of all outstanding shares are represented in the meeting, and voted in favor by more than 50% of all voting rights represented at the meeting.

Article 17: Shareholder meeting resolutions shall be compiled into minutes and signed or sealed by the chairperson. The minutes shall detail the date and venue of the meeting, the chairperson's name, the method of resolution, the proceeding and results of various motions. Minutes are to be distributed to shareholders within 20 days after the meeting and retained for as long as the Company exists.

Preparation and distribution of meeting minutes above can be made by way of public announcement.

Chapter Four Directors and the Audit Committee

Article 18: The Company has 5 to 9 directors, who are elected in shareholder meetings from persons of adequate capacity. The term of directorship is three years, and is renewable if re-elected. Election of the Company's directors shall proceed using the cumulative method. Each share is vested with voting rights equal to the number of directors to be elected; these voting rights may be concentrated on one candidate or spread across multiple candidates. Candidates receiving the highest number of votes are elected as directors. Any changes to the election process described above shall proceed in accordance with Article 172 of The

Company Act and advised to meeting participants in advance in the agenda.

Amongst the directors chosen above, there shall be no fewer than three independent directors representing no less than one-fifth of the board. Directors are elected using the nomination system, where shareholders vote from a list of director candidates during a shareholder meeting. The nomination shall proceed according to Article 192-1 of The Company Act. Restrictions concerning independent directors' eligibility, shareholding, concurrent employment, nomination, method of election and all other compliance issues are governed by relevant laws of the securities authority.

Article 18-1: The Company shall comply with the Securities and Exchange Act by assembling an Audit Committee that consists entirely of independent directors, whose responsibilities are to execute duties mentioned in the Securities and Exchange Act, The Company Act and other laws. The board of directors may assemble a Remuneration Committee or other functional committees as needed to support business activities.

Article 19: After public offering, all shares held by directors shall be subject to supervision of the authority and relevant laws. The Company may purchase liability insurance policies to insure itself against liabilities of directors and supervisors over the course of their service.

Article 20: The board of directors shall appoint one Chairman during a board meeting with more than two-thirds of directors present, and with the support of more than half of all attending directors. The Chairman serves as the Company's representative to the outside world.

Article 21: The Chairman serves as the chairperson for board meetings. If the Chairman is unable to perform duties due to leave of absence or any reason, a delegate shall be appointed in accordance with Article 208 of The Company Act. Directors may appoint other directors to attend board meetings on their behalf by issuing one proxy form per meeting. The proxy form shall specify the scope of delegated authority and each director may represent the presence of one other director only. Independent directors may appoint other independent directors to attend meetings on their behalf. A non-independent director cannot represent an independent director in meetings.

Article 22: Convention of board of directors meeting shall be advised to all directors with detailed agenda at least 7 days in advance. However, meetings can be held in shorter notices in case of emergency. Convention of board meetings can be advised to directors through written correspondence, E-mail or fax. Board meetings can be convened by way of video conferencing. Those who participate in the video conference are considered to have attended the meeting in person.

Article 23: Unless otherwise specified in The Company Act, board of directors

meetings are to be convened by the Chairman.

Unless otherwise specified by law or the Articles of Incorporation, board resolutions are passed only if more than half of total board members are present in a meeting, and are voted in favor by more than half of attending directors.

Article 24: If the board loses more than one-third of its directors, the board of directors shall convene an extraordinary shareholder meeting within 60 days to elect new members for the shortfall. In which case, the newly elected members shall serve the remaining term of the existing board. Should the number of independent directors fall below the required minimum due to resignation, dismissal or expiry of service, the shortfall shall be elected during the next shareholder meeting. If all independent directors are dismissed from duty, the Company shall convene an extraordinary shareholder meeting within the next 60 days to elect for the shortfall.

Article 25: The Company may remunerate its Chairman and directors for the services rendered, irrespective of the Company's profit performance. The board of directors is authorized to determine the level of remuneration based on Chairman's/directors' involvement and contribution to the Company's operations, in reference to local and foreign peer levels.

Chapter Five Managers

Article 26: The Company may create managerial positions. Appointment, dismissal and remuneration shall comply with Article 29 of The Company Act.

Chapter Six Accounting

Article 27: The board of directors is responsible for preparing the following statements and reports at the end of each financial year, which are to be presented for acknowledgment according to legal procedures at the annual general meeting.

1. Business report.
2. Financial statements.
3. Earnings appropriation or loss reimbursement proposal.

Article 28: Annual net income concluded by the Company is first subject to reimbursement of previous losses (including adjustment to undistributed earnings) followed by a 10% provision for statutory reserve. However, no further provision is needed when statutory reserve has accumulated to an amount equal to the Company's paid-up capital. Any surpluses remaining shall be subject to provision or reversal of special reserve as laws may require. The residual balance can then be added to undistributed earnings (including adjustment to undistributed earnings) carried from previous years and distributed as dividends to shareholders, subject to board of directors' proposal and shareholder meeting resolution. The number of dividends paid to shareholders shall not be less than 5% of total distributable earnings.

Cash dividends shall not be less than 10% of the sum of cash and stock dividends for the current year. However, cash dividends amounting to less than NT\$0.1 per share are to be paid in the form of stock dividend instead.

The Company adopts a residual dividend policy that takes into consideration current and future investment prospects, capital requirements, local and foreign competition, capital budget, shareholders' interest, balanced dividend, long-term financial plans and related factors.

Article 28-1: Pre-tax profit before employee and director remuneration concluded in any given year shall be subject to employee remuneration of no less than 5% and director remuneration of no more than 3%. However, profits shall first be taken to offset cumulative losses if any.

Distribution of the above shall be resolved in a board meeting with more than two-thirds of the board present, voted in favor by more than half of all attending directors, and subsequently reported in shareholder meeting.

Employee remuneration can be paid in shares or cash to employees of controlled entities or subsidiaries that satisfy certain criteria. This criterion is determined under the board's authority. Director remuneration can only be paid in cash.

Chapter Seven Additional Rules

Article 29: Any matters that are not addressed in the Articles of Incorporation shall be governed by The Company Act and relevant regulations.

Article 30: This Articles of Incorporation was established on January 25, 2010, and shall take effect once approved by the authority. The same applies to all subsequent amendments.

The 1st amendment was made on December 8, 2011.

The 2nd amendment was made on June 28, 2013.

The 3rd amendment was made on April 30, 2015.

The 4th amendment was made on February 23, 2016.

The 5th amendment was made on May 23, 2017.

The 6th amendment was made on May 29, 2018.

The 7th amendment was made on September 18, 2018.

The 8th amendment was made on May 29, 2019.

The 9th amendment was made on May 25, 2021.

Onyx Healthcare
Inc.

Chairman: Chuang
Yung-Shun

Onyx Healthcare Inc.

Asset Acquisition and Disposal Procedures

Article 1 Purpose

The following Procedures have been established for the enhancement of asset management and information transparency practices within the Company.

Article 2 Legal basis

The following Procedures have been established in accordance with Article 36-1 of the Securities and Exchange Act and "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" stipulated by the authority.

Article 3 Applicability

All asset acquisitions and disposals by the Company and subsidiaries shall comply with the Procedures stated herein. This excludes circumstances where laws have specified otherwise.

Article 4 Applicable assets and terminology

1. The term "assets" as used in these Procedures includes the following:
 - (1) Securities investment: includes investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, overseas mutual funds, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.
 - (2) Real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment.
 - (3) Memberships.
 - (4) Patents, copyrights, trademarks, franchise rights, and other intangible assets.
 - (5) Right-of-use assets.
 - (6) Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
 - (7) Derivatives.
 - (8) Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with the law.
 - (9) Other major assets.
2. Terms used in these Procedures are defined as follows:
 - (1) Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variables; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.
 - (2) Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institutions Merger Act and other acts, or transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Article 156-3 of the Company Act.

- (3) Related party or subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
 - (4) Professional appraiser: Refers to a real property appraiser or other person duly authorized by law to engage in real property or equipment value appraisal.
 - (5) Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or another date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.
 - (6) Mainland China area investment: Refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted according to the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.
 - (7) Investment professional: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures commission merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located.
 - (8) Securities exchange: "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.
 - (9) Over-the-counter venue ("OTC venue," "OTC"): "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign OTC venue" refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.
3. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:
 - (1) May not have previously received a final and unappealable sentence of imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since serving the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.
 - (2) May not be a related party or de facto related party of any party to the transaction.
 - (3) If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.
 4. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:
 - (1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.

- (2) When examining a case, they shall appropriately plan and execute adequate working procedures in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.
- (3) They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.
- (4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations.

Article 5 Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.

Article 6 Procedures for acquisition or disposal of property, plant, and equipment and right-of-use assets thereof

1. Evaluation and operating procedures

Acquisition/disposal of property, plant, and equipment shall comply with the Company's internal control system, operating cycles, and procedures for property, plant and equipment.

2. Procedures for determining transaction terms and authorized limits

(1) When acquiring or disposing real properties, the Company shall determine transaction terms and pricing in reference to publicly announced current value, the appraised value, and actual transaction prices of nearby properties. Transaction terms and prices shall be approved by the appropriate unit head according to the Company's levels of approval authority. Any single transaction that amounts to thirty million New Taiwan Dollars or above is subject to the board of directors' resolution. Alternatively, the board of directors may authorize the Chairman to approve such transactions at sole discretion first and report in a board meeting afterwards.

(2) When acquiring or disposing equipment, the price of the transaction shall be determined by way of inquiry, comparison, negotiation, or tender, and approved by the appropriate unit head according to the Company's levels of approval authority. Any single transaction that amounts to thirty million New Taiwan Dollars or above is subject to the board of directors' resolution. Alternatively, the board of directors may authorize the Chairman to approve such transactions at sole discretion first and report in a board meeting afterwards.

(3) The Company and subsidiaries shall not acquire non-business related real properties and right-of-use assets thereof for a sum exceeding 10% of paid-in capital of the respective entities.

(4) Any material acquisition or disposal of property or equipment that is subject to a special resolution, as regulated in Article 185 of The Company Act, shall be resolved by the board of directors and approved in a shareholder meeting before proceeding.

3. Executors

All acquisition or disposal of property and equipment must be approved according to the Company's levels of approval authority and carried out by the department in use or the Administration Department.

4. Appraisal report for property and equipment

In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:

- (1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.
- (2) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.
- (3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of auditing standards published by the ROC Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
 - i. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.
 - ii. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.
- (4) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, the original professional appraiser may still issue an opinion.

Article 7 Procedures for acquisition and disposal of securities

1. Evaluation and operating procedures

Purchase and sale of securities shall proceed according to the investment cycle of the Company's internal control system.

2. Procedures for determining transaction terms and authorized limits

- (1) Trading of TWSE- and TPEX-listed securities shall be decided at the discretion of the responsible department depending on market conditions, and approved by the appropriate unit head according to the Company's levels of approval authority.
- (2) Except in situations where securities are openly quoted in an active market or circumstances otherwise regulated by the Financial Supervisory Commission (FSC), trading of securities that are neither listed on TWSE nor TPEX should be priced based on the most recent audited or auditor-reviewed financial statements prior to the date of occurrence, while taking into consideration the investee's net worth per share, profitability, and future potentials. These transactions shall be approved by the appropriate unit head according to the Company's levels of approval authority.
- (3) The sum of all securities acquired by the Company shall not exceed 200% of net worth (does not apply to subsidiaries included in the Company's consolidated

financial statements); the sum of all securities acquired by each subsidiary shall not exceed 100% of the Company's net worth.

The sum of any single security acquired by the Company shall not exceed 150% of net worth (does not apply to subsidiaries included in the Company's consolidated financial statements); the sum of any single security acquired by each subsidiary shall not exceed 100% of the Company's net worth.

These restrictions do not apply to investment holding subsidiaries that have direct or indirect equity ownership in an operating subsidiary.

3. Executors

All security investment and disposal decisions of the Company are subject to approval at the appropriate level of authority, and shall be executed by Treasury, Shareholder Service, and Investment Departments.

4. Expert opinion

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 percent 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 an expert's report as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF. However, this requirement does not apply to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).

Article 8 When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10 percent or more of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions of the Procedures.

The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 26, Paragraph 2 herein.

When judging whether a transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.

Article 9 When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the transaction is

supported by more than half of Audit Committee members and approved by the board of directors:

1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.
2. The reason for choosing the related party as a transaction counterparty.
3. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 10 and Article 11.
4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the Company and the related party.
5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing the contract, evaluation of the necessity of the transaction, and reasonableness of the fund's utilization.
6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding Article.
7. Restrictive covenants and other important stipulations associated with the transaction.

The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 26, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors and recognized by the supervisors need not be counted toward the transaction amount.

With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company's board of directors may pursuant to Article 6, paragraph 2 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:

1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.
2. Acquisition or disposal of real property right-of-use assets held for business use.

When a matter is submitted for discussion by the board of directors pursuant to Paragraph 1, 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 board of directors meeting minutes. The Company has assembled an Audit Committee; the matters for which Paragraph 1 requires recognition by the supervisors shall first be approved by one-half or more of all Audit Committee members and then submitted to the board of directors for a resolution, and shall be subject to mutatis mutandis application of Article 30.

Article 10 When acquiring real property or right-of-use assets thereof from a related party, the Company shall evaluate the reasonableness of the transaction costs by the following means:

1. Plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the Company purchases the property; provided, it may

not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.

2. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the transaction counterparties.

Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding Paragraph.

When the Company acquires real property or right-of-use assets thereof from a related party and appraises the cost of the real property or right-of-use assets thereof in accordance with the preceding two paragraphs, the Company shall also engage a CPA to check the appraisal and render a specific opinion.

When the Company acquires real property from a related party and appraises the cost of the real property in accordance with Paragraphs 1 and 2, the Company shall also engage a CPA to check the appraisal and render a specific opinion.

When the Company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with the preceding Article, and the preceding three Paragraphs do not apply:

1. The related party acquired the real property or right-of-use assets thereof through inheritance or as a gift.
2. More than 5 years have elapsed from the time the related party signed the contract to obtain the real property to the signing date for the current transaction.
3. The real property is acquired by signing a joint development contract with the related party or by engaging a related party to build real property, either on the Company's own land or on rented land.
4. The Company acquires the real property right-of-use assets for business use with its parent or subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.

Article 11 When the results of the Company's appraisal conducted in accordance with Paragraph 1 and Paragraph 2 of the preceding Article are uniformly lower than the transaction price, the matter shall be handled in compliance with Article 12. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:

1. The related party is acquiring or leasing bare land for new construction, in which case evidence can be raised to prove any of the following:
 - (1) Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.

- (2) Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.
2. When the Company acquires real property, or obtains real property right-of-use assets through leasing, from a related party, evidence is provided to prove that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of similar size by unrelated parties within the preceding year.

Completed transactions involving neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.

Article 12 When the Company acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with the preceding two Articles are uniformly lower than the transaction price, the following steps shall be taken:

1. A special reserve shall be set aside in accordance with Article 41, Paragraph 1 of the Securities and Exchange Act against the difference between the real property transaction price and the appraised cost. It may not be distributed or used for capital increase or issuance of bonus shares. Where a public company uses the equity method to account for the Company, then the special reserve called for, under Article 41, Paragraph 1 of the Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the Company.
2. Independent directors of the Audit Committee shall comply with Article 218 of the Company Act.
3. Actions taken pursuant to the preceding two Subparagraphs shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.

If the Company has set aside a special reserve under the preceding paragraph, the Company may not utilize the special reserve until it has recognized a loss on decline in the market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent.

When the Company obtains real property or right-of-use assets thereof from a related party, the Company shall also comply with the preceding two Paragraphs if there is other evidence indicating that the acquisition was not an arm's length transaction.

Article 13 Procedures for acquisition or disposal of memberships or intangible assets or right-of-use assets thereof

1. Evaluation and operating procedures

Acquisition/disposal of memberships or intangible assets shall comply with property management policies of the Company's internal control system.

2. Procedures for determining transaction terms and authorized limits

- (1) When acquiring or disposing memberships, the Company shall determine transaction terms and pricing in reference to fair market value. A detailed analysis report has to be prepared and submitted for approval by the appropriate unit head according to the Company's levels of approval authority. Transactions that amount to more than three million New Taiwan Dollars are subject to the board of directors' approval before proceeding.
- (2) When acquiring or disposing intangible assets, the Company shall determine transaction terms and pricing in reference to experts' report or fair market value. A detailed analysis report has to be prepared and presented for approval by the appropriate unit head according to the Company's levels of approval authority. Transactions that amount to more than 2% of the Company's net worth are subject to the board of directors' approval before proceeding.

3. Executors

All acquisition or disposal of membership and intangible assets must be approved according to the Company's levels of approval authority and carried out by the department in use or the Administration Department.

4. Expert's report on memberships or intangible assets

- (1) Acquisition or disposal of membership that amounts to more than three million New Taiwan Dollars has to be supported with a professional appraiser's report.
- (2) Acquisition or disposal of intangible assets that amount to more than 2% of the Company's net worth must be supported with a professional appraiser's report.
- (3) Except in situations where the counterparty is a domestic government agency, acquisition or disposal of membership or intangible asset or right-of-use assets thereof that amounts to 20% of the Company's paid-in capital or NTD 300 million or above shall be supported by CPA's opinions issued according to Statement on Auditing Standards No. 20 published by ADRF prior to the date of occurrence in regards to the rationality of the transaction price.

Article 14

In any of the situations described in Articles 6, 7, or 13, the Company shall either obtain the CPA's opinion on the rationality of transaction price or have a professional appraiser produce an appraisal report with details on the calculation of transaction amount before the date of occurrence. These opinions and reports shall comply with Article 26, Paragraph 2 of the Procedures. The one-year timeframe mentioned here shall date back from the date of occurrence of the current transaction. Transactions that have already been supported with professional appraisal or CPA's opinion in accordance with the Procedures can be excluded from the calculation.

Article 15 Procedures for acquisition or disposal of claims of financial institutions

In principle, the Company does not acquire or dispose claims of financial institutions. Acquisition or disposal of claims of financial institutions will be subject to board of directors' approval. It would require the prior establishment of evaluation and operating procedures if such a need arises.

Article 16 Procedures for acquisition or disposal of derivatives

1. Transaction principles and guidelines

- (1) Transaction types

The Company may transact derivatives including forward contracts, option contracts, futures, swap contracts, and any combination of the above where values are derived from the underlying assets, interest rates, exchange rates, indices, or benefits.

- (2) Operational hedging strategies
Where derivatives are used for hedging purposes, the hedge shall cover only the exposures that arise from the Company's operations. Use of derivatives for other special purposes may be executed by a unit head with proper authorization from the board of directors.
- (3) Areas of responsibility
 - i. Traders: execute transactions according to levels of approval authority. Traders are required to calculate outstanding positions on a weekly basis, and conduct risk assessments based on position changes and the latest financial market information.
 - ii. Verifiers: verify the executed transactions.
 - iii. Settlement personnel: perform settlement tasks.
 - iv. The Treasury Department shall assign staff to undertake the roles of traders, verifiers, and settlement personnel separately; no person may undertake more than one role at the same time. Any change in trader shall be notified to the counterparty through official correspondence before taking effect.
- (4) Levels of approval authority
 - i. Levels of approval authority for hedging transactions

| | |
|---------------------|-----------------------|
| Designated approver | Transaction amount |
| President | USD 100,000 and below |
| Chairman | More than USD 100,000 |
 - ii. Use of derivatives for special purposes may be executed by a unit head with proper authorization from the board of directors.
- (5) Contract sum
 1. For hedging transactions, the sum of open contracts shall be limited to the amount of exposures that arise as a result of the Company's operations.
 2. For special-purpose transactions, the sum of open contracts shall be limited to 10% of operating revenues for the most recent quarter.
- (6) Loss limit
 1. For hedging transactions, losses are capped at 25% of the individual and aggregate contract sum.
 2. For special-purpose transactions, losses are capped at 10% of the individual and aggregate contract sum.
- (7) Performance assessment
 - i. Hedging transactions
Performance shall be assessed based on overall gains/losses of the hedged underlying and the hedge.
 - ii. Special-purpose transactions
Performance shall be assessed based on overall gains/losses of the given project and transaction.
 - iii. The Treasury Department shall provide the executive financial decision maker with regular assessments of the trade position and market analyses to serve as reference.
- (8) Methods of regular assessment
Derivatives trading positions held shall be evaluated at least once per week; however, positions for hedge trades required by business shall be evaluated at

- least twice per month. Evaluation reports shall be submitted to senior management personnel authorized by the board of directors.
2. Risk management measures
 - (1) Credit risk

Transactions should be conducted primarily with reputable financial institutions locally and abroad, after taking into consideration their respective credit ratings.
 - (2) Market risk

For derivatives, any factors that would give rise to market price volatility, such as interest rate and exchange rate, will have to be controlled and managed according to Subparagraph 6 of the preceding Paragraph.
 - (3) Liquidity risk

The financial products undertaken must be adequately liquid, thereby allowing the Company to close its position in the open market at any time. The financial institutions through which transactions are placed must have access to sufficient information and be capable of executing transactions in any market.
 - (4) Cash flow risk

When engaging in a derivative transaction, the Company shall take into consideration the amount of cash flow expected to be generated over the course of the transaction, and make sure that there is adequate working capital to meet settlement needs.
 - (5) Operational risk
 - i. All personnel involved in derivative transactions shall observe Subparagraph 3 - Areas of responsibility in the preceding Paragraph to avoid operational risk.
 - ii. Risk measurement, monitoring, and control personnel shall be assigned to a different department from the personnel in Subparagraph 3 of the preceding Paragraph. It shall report to the board of directors or senior management personnel with no responsibility for trading or position decision-making.
 - (6) Legal risk

To avoid legal risks, all documents drafted with financial institutions must be reviewed by treasury or legal affairs personnel or legal consultants before signing.
 3. Internal audit
 - (1) The Company shall maintain a log of all derivatives traded, and record all required details according to relevant laws.
 - (2) The Company's internal audit personnel shall periodically make a determination of the suitability of internal controls on derivatives and conduct a monthly audit of how faithfully derivatives trading by the trading department adheres to the procedures for engaging in derivatives trading, and prepare an audit report. If any material violation is discovered, all supervisors shall be notified in writing.
 4. Board supervisory principles
 - (1) The board of directors shall periodically evaluate whether derivatives trading performance is consistent with established operational strategy and whether the risk undertaken is within the Company's permitted scope of tolerance. The board shall also designate senior management personnel to pay continuous attention to monitoring and controlling derivatives trading risk.
 - (2) Senior management personnel authorized by the board of directors shall manage derivatives trading in accordance with the following principles:
 - i. Periodically evaluate the risk management measures currently employed are appropriate and are faithfully conducted in accordance with these Procedures.
 - ii. When irregular circumstances are found in the course of supervising trading and profit-loss circumstances, appropriate measures shall be adopted and a

report immediately made to the board of directors; if the Company has independent directors in place, independent directors shall be present and express an opinion at the meeting.

- (3) The Company shall report to the soonest meeting of the board of directors after it authorizes the relevant personnel to handle derivatives trading in accordance with the Procedures.

Article 16-1 When engaging in derivatives trading, the Company shall establish a logbook in which details of the types and amounts of derivatives trading engaged in, board of directors approval dates, and the matters required to be carefully evaluated under Article 16, Paragraph 1, Subparagraph 8, and Article 16, Paragraph 4, Subparagraphs 1 and 2 shall be recorded in detail in the logbook.

Article 17 In the case of a merger, demerger, acquisition, or transfer of shares, the Company shall, prior to convening the board of directors to resolve the matter, engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the board of directors for deliberation and passage. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by the Company's subsidiary in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the Company directly or indirectly holds 100 percent of the respective subsidiaries' issued shares or authorized capital.

Article 18 When participating in a merger, demerger, acquisition, or transfer of shares, the Company shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders meeting and include it along with the expert opinion referred to in Paragraph 1 of the preceding Article when sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts the Company from convening a shareholders meeting to approve the merger, demerger, or acquisition, this restriction shall not apply.

Where the shareholders meeting of any one of the companies participating in a merger, demerger, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the companies participating in the merger, demerger or acquisition shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders meeting.

Article 19 When participating in a merger, demerger, or acquisition, the Company shall convene an Audit Committee meeting, board of directors meeting and shareholders meeting on the day of the transaction to resolve matters relevant to the merger, demerger, or acquisition, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.

When participating in a transfer of shares, the Company shall call a board of directors meeting on the day of the transaction, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.

When participating in a merger, demerger, acquisition, or transfer of shares that involving a company that is listed on an exchange or has its shares traded on an OTC market, the Company shall prepare a full written record of the following information and retain it for 5 years for reference:

1. Basic identification data for personnel: Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of shares prior to the disclosure of the information.
2. Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a board of directors meeting.
3. Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of the board of directors meetings.

When participating in a merger, demerger, acquisition, or transfer of shares involving a company that is listed on an exchange or has its shares traded on an OTC market, the Company shall, within 2 days counting inclusively from the date of passage of a resolution by the board of directors, report (in the prescribed format and via the Internet-based information system) the information set out in Subparagraphs 1 and 2 of the preceding Paragraph to the FSC for recordation.

Where any of the companies participating in a merger, demerger, acquisition, or transfer of shares is neither listed on an exchange nor has its shares traded on an OTC market, all public-listed or OTC-traded companies shall sign an agreement with such company whereby the latter is required to abide by the provisions of the preceding two Paragraphs.

Article 20 Every person participating in or privy to the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or transfer of shares.

Article 21 When participating in a merger, demerger, acquisition, or transfer of shares, the Company may not arbitrarily alter the share exchange ratio or acquisition price unless under the below-listed circumstances, and shall stipulate the circumstances permitting alteration in the contract for the merger, demerger, acquisition, or transfer of shares:

1. Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.
2. An action, such as a disposal of major assets, that affects the Company's financial operations.

3. An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.
4. An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares, buys back treasury stock.
5. An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.
6. Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.

Article 22 The contract for the Company's participation in a merger, demerger, acquisition, or of shares shall record the rights and obligations of the companies participating in the merger, demerger, acquisition, or transfer of shares, and shall also record the following:

1. Handling of breach of contract.
2. Principles for handling equity-type securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or that is demerged.
3. The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof.
4. The manner of handling changes in the number of participating entities or companies.
5. Preliminary progress schedule for plan execution, and anticipated completion date.
6. Scheduled date for convening the legally mandated shareholders meeting if the plan exceeds the deadline without completion, and relevant procedures.

Article 23 After public disclosure of the information, if any company participating in the merger, demerger, acquisition, or share transfer intends further to carry out a merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders meeting has adopted a resolution authorizing the board of directors to alter the limits of authority, such participating company may be exempted from calling another shareholders meeting to resolve on the matter anew.

Article 24 Where any of the companies participating in a merger, demerger, acquisition, or transfer of shares is not a public company, the Company shall sign an agreement with the non-public company whereby the latter is required to abide by the provisions of Article 19, Article 20, and the preceding Article.

Article 25

With respect to the Company's acquisition or disposal of assets that are subject to the approval of the board of directors under the Company's procedures or other laws or regulations, if a director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to each supervisor. When a transaction involving the acquisition or disposal of assets is

submitted for discussion by the board of directors pursuant to the policy, the board of directors shall take into full consideration each independent director's opinions, and record their objections or reservations in meeting minutes.

Any transaction involving major assets or derivatives shall be approved by one-half or more of all Audit Committee members and submitted to the board of directors for a resolution. If approval of one-half or more of all Audit Committee members is not obtained, the transaction may be implemented if approved by two-thirds or more of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the board of directors meeting.

Article 26

When acquiring or disposing of assets under any of the following circumstances, the Company shall, after becoming public, publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:

1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
2. Merger, demerger, acquisition, or transfer of shares.
3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the Procedures adopted by the Company.
4. Where the type of equipment or right-of-use assets thereof acquired or disposed of is for business use, and the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:
 - (1) Where the Company's paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.
 - (2) Where the Company's paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.
5. Acquisition or disposal of real property or right-of-use assets thereof for construction use, as part of the Company's construction business, and the transaction counterparty is not a related party, and the transaction amount does not reach NT\$500 million; among such cases, if the Company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.
6. Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million.
7. Where an asset transaction other than any of those referred to in the preceding six Subparagraphs, disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:

- (1) Trading of domestic government bonds.
- (2) Where done by professional investors—domestic/overseas securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an Emerging Stock company, in accordance with the rules of the Taipei Exchange.
- (3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

The amount of transactions above shall be calculated as follows:

1. The amount of any individual transaction.
2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.
3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.
4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.

"Within the preceding year" as used in the preceding Paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Procedures need not be counted toward the transaction amount.

The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the Company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.

When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowledge of such error or omission.

When acquiring or disposing of assets, the Company shall keep all relevant contracts, meeting minutes, logbooks, appraisal reports and CPA, attorney, and securities underwriter opinions at the Company, where they shall be retained for 5 years except where another act provides otherwise.

Article 27 Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the preceding Article, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days counting inclusively from the date of occurrence of the event:

1. Change, termination, or rescission of a contract signed in regard to the original transaction.

2. The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.
3. Change to the originally publicly announced and reported information.

Article 28 Procedures for asset acquisition or disposal involving subsidiaries

1. The Company shall supervise the establishment of asset acquisition and disposal procedures within subsidiaries. Each subsidiary shall have asset acquisition and disposal procedures approved by their respective board of directors and reported to the Company's board of directors afterwards; the same applies to subsequent amendments.
2. Control procedures for acquisition or disposal of assets with subsidiaries shall be developed according to relevant laws and the Company's internal control system.
3. Information required to be publicly announced and reported in accordance with the provisions on acquisitions and disposals of assets by a subsidiary that is not itself a public company in Taiwan shall be reported by the Company.

The Company's paid-in capital or total assets shall be the standard applicable to subsidiaries referred to in the preceding Paragraph in determining whether, relative to paid-in capital or total assets, it reaches a threshold requiring public announcement and regulatory filing.

Article 28-1 For the calculation of 10 percent of total assets under these Procedures, the total assets stated in the most recent parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used.

Article 29 Penalties for personnel violating these Procedures for the acquisition or disposal of assets.

Employees of the Company who are found to have violated the Procedures while handling asset acquisition or disposal shall be disciplined according to the Company's personnel management policy.

Article 30 Implementation and revision

The "Asset Acquisition and Disposal Procedures" are subject to the consent of more than one-half of Audit Committee members, and shall be resolved by the board of directors and proposed for shareholders' resolution. The same applies to all subsequent amendments. Where directors have expressed objections on record or in writing, the Company shall forward directors' objections to the Audit Committee. The board shall take independent directors' opinions under advisement when discussing the "Asset Acquisition and Disposal Procedures" during a board meeting. Any objections or reservations raised must be noted in board meeting minutes.

The establishment and amendment of the "Asset Acquisition and Disposal Procedures" are subject to the consent of more than one-half of Audit Committee members and board of directors' resolution. If approval of one-half or more of all Audit Committee members is not obtained, the Procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the board of directors meeting.

Article 31 Supplemental provisions

Any matters that are not addressed in the Procedures shall be governed by relevant regulations.

Article 32

The procedures were established on June 27, 2014

The 1st amendment was made on April 30, 2015

The 2nd amendment was made on February 23, 2016

The 3rd amendment was made on July 22, 2016

The 4th amendment was made on May 23, 2017

The 5th amendment was made on September 18, 2018

The 6th amendment was made on May 29, 2019

Onyx Healthcare Inc.

Shareholder Meeting Conference Rules

Article 1

This policy has been established in accordance with Article 5 of "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" to promote proper governance over the Company's shareholder meetings, and enforce supervisory and administrative functions of such meetings.

Article 2

Unless otherwise specified by law or Articles of Incorporation, shareholder meetings shall proceed according to the terms of this policy.

Article 3

Unless otherwise specified by law, shareholder meetings are to be convened by the board of directors.

The Company shall prepare an electronic file that contains the meeting advice, a proxy form, a detailed agenda of topics to be acknowledged or discussed during the meeting, and notes on the election or dismissal of directors and post it onto the Market Observation Post System (MOPS) at least 30 days before an annual general meeting, or 15 days before an extraordinary shareholder meeting. At least 21 days before an annual general meeting or 15 days before an extraordinary shareholder meeting, an electronic copy of the shareholder meeting handbook and supplementary information shall be prepared and posted onto MOPS. Hard copies of the shareholder meeting manual and supplementary information also have to be prepared at least 15 days before the meeting and made accessible to shareholders at any time. These documents shall be made available at the Company's premises and at the share transfer agency, and distributed on-site at the shareholder meeting. The meeting advice and announcement shall state clearly the agenda to be discussed during the meeting, and can be issued in electronic form if consented by the recipient.

Issues that involve election or dismissal of directors, changes to the Articles of Incorporation, capital reduction, cessation of public offering, permission for directors' involvement in competing business, earnings capitalization, capitalization of capital reserve, corporate liquidation, merger, divestment, or any matters listed in Paragraph 1, Article 185 of The Company Act shall be raised as part of the regular motions with summaries explained in the meeting agenda, and may not be raised in the form of special motion. The notification can be served by posting relevant details onto the website designated by the securities authority or the Company and sharing a link to the webpage.

If the shareholder meeting advice has already notified upfront of a full re-election of directors with specific duty commencement date, then no further changes can be made to the duty commencement date, whether through special motion or otherwise, when re-election is completed during the meeting.

Shareholders that own more than 1% of the Company's outstanding shares are entitled to propose motions for discussion in annual general meetings; each shareholder may only propose one motion; proposals above that limit

will be excluded from discussion. However, motions that involve suggestions to the Company's efforts toward public interest or social responsibilities may still be accepted by the board of directors. The board of directors may disregard shareholders' proposals if the proposed motions exhibit any of the conditions described in Paragraph 4, Article 172-1 of The Company Act.

The Company shall announce, before the book closure date of annual general meeting, the conditions, methods (written or electronic), places and time within which shareholders' proposals are accepted. The acceptance period shall not be less than ten days.

Shareholders shall limit their proposed motions to 300 words only; proposals that exceed 300 words will not be accepted for discussion. Shareholders who have successfully proposed their motions shall attend the annual general meeting in person or through proxy and participate in the discussion.

The Company shall notify each proposing shareholder the outcomes of their proposed motions before the date the meeting advice is sent. Meanwhile, motions that satisfy the conditions listed in this Article shall be included as part of the meeting advice. During the shareholder meeting, the board of directors shall explain the reasons why certain proposed motions are excluded from discussion.

Article 4

Shareholders may appoint proxies to attend shareholder meetings on their behalf by completing the Company's proxy form and specifying the scope of delegated authority.

Each shareholder may issue one proxy form and delegate one proxy only. All proxy forms shall be received by the Company at least 5 days before the shareholder meeting. In cases where multiple proxy forms are issued, the one that arrives first shall prevail. However, this excludes situations where the shareholder has issued a proper declaration to withdraw the previous proxy arrangement.

Should the shareholder decide to attend shareholder meeting personally or exercise voting rights in writing or using electronic means after a proxy form has been received by the Company, a written notice shall be sent to the Company by no later than two days before the meeting commences to withdraw the proxy arrangement. If the shareholder fails to withdraw proxy arrangement before the due date, the vote of the proxy attendant shall prevail.

Article 5

Shareholder meetings shall be held at locations suitable and convenient for shareholders to attend. Meetings shall not commence anytime earlier than 9AM or later than 3PM. Independent directors' opinions shall be fully taken into consideration when choosing the meeting venue and time.

Article 6

The meeting advice shall specify details such as meeting time, venue, and important notes where relevant.

Admission of meeting participants shall begin at least 30 minutes before the meeting commences. The reception area shall be clearly labeled and stationed with competent personnel.

Shareholders and representatives thereof (collectively referred to as "shareholders") shall attend shareholder meetings by presenting valid

conference pass, attendance card or other document of similar nature. Proxy form acquirers are required to bring identity proof for verification.

An attendance log shall be prepared to record shareholders' attendance; alternatively, shareholders may present attendance cards to signify their presence.

Shareholders who attend the meeting shall be given a copy of the meeting manual, annual report, attendance pass, opinion slip, motion ballot and any information relevant to the meeting. Prepare additional ballots if director election is also being held during the meeting.

Where the shareholder is a government agency or corporate entity, more than one representative may attend shareholder meetings on their behalf. Corporate entities that have been designated as proxy attendants can only appoint one representative to attend shareholder meeting.

Article 7

Shareholder meetings that are convened by the board of directors shall be chaired by the Chairman. If the Chairman is on leave or is unable to exercise duties for any reason, the Vice Chairman will act on behalf; if there is no Vice Chairman or if the Vice Chairman is also on leave or is unable to exercise duties for any reason, the Chairman may appoint one managing director to assume acting duty; if there is no managing director, one of the directors shall be appointed to perform acting duty; if no delegate is appointed by the Chairman, one shall be appointed among managing directors or directors.

The chairperson position mentioned above shall be assumed by a managing director or director, who has been on the board for more than six months and possesses adequate understanding of the Company's financial and business performance. The same applies if the chairperson is a representative of a corporate director.

Shareholder meetings that are convened by the board of directors shall be chaired by the Chairman and attended personally by more than half of the board, with at least one representative from each functional committee present at the meeting. Attendance of the above participants shall be recorded in details in shareholder meeting minutes.

For shareholder meetings that are convened by any authorized party other than the board of directors, the convener shall chair the meeting. If there are two or more conveners at the same time, one shall be appointed among themselves to chair the meeting.

The Company may summon its lawyers, certified public accountants, and any relevant personnel to be present at shareholder meetings.

Article 8

The Company shall record continuously, in audio or video, from the time admission is accepted and throughout the entire meeting proceeding, voting process and vote count.

These recordings shall be retained for at least one year. However, if a shareholder raises a litigious claim against the Company in accordance with Article 189 of The Company Act, the abovementioned documents shall be retained until the end of the litigation.

Article 9

Shareholders' presence is determined by the number of shares represented in a meeting. The number of shares represented in a meeting is calculated based

on attendance log records or the attendance cards collected, plus the number of shares with voting rights exercised in writing or through electronic means. The chairperson shall announce commencement of meeting as soon as it is due. However, if current attendants represent less than half of the Company's outstanding shares, the chairperson may announce to postpone the meeting up to two times, for a period totaling no more than one hour. The chairperson shall dismiss the meeting if attending shareholders still represent less than one-third of outstanding shares after two postponements.

If attending shareholders still represent more than one-third but less than half of outstanding shares after two postponements, the attending shareholders may reach a tentative resolution according to Paragraph 1, Article 175 of The Company Act. This tentative resolution shall then be communicated to every shareholder and another shareholder meeting shall be held within the next month.

If the number of shares represented accumulate to more than half of all outstanding shares as the meeting progresses, the chairperson may propose the tentative resolutions for final voting according to Article 174 of The Company Act.

Article 10

For shareholder meetings that are convened by the board of directors, the board of directors will determine the meeting proceeding. All proposed motions (including special motions and amendments to existing motions) shall be voted on a case-by-case basis. The proceeding may not be changed unless resolved during the shareholder meeting.

The above rule also applies to shareholder meetings that are convened by any authorized party other than the board of directors.

In either of the two situations described above, the chairperson cannot dismiss the meeting while a motion (including special motion) is still in progress. If the chairperson violates conference rules by dismissing the meeting when not allowed to do so, other members of the board shall immediately assist attending shareholders in electing another chairperson that has the support of more than half of voting rights represented on-site to continue the meeting.

The chairperson shall allow adequate time to explain and discuss various motions, amendments or special motions proposed during the meeting.

The chairperson may announce to discontinue further discussions if the issue in question is considered to have been sufficiently discussed to proceed with the voting, and shall allocate ample time to vote.

Article 11

Shareholders who wish to speak during the meeting shall produce an opinion slip detailing the topic, shareholder ID (or the attendance ID serial) and shareholder's name. The order of shareholders' comments is determined by the chairperson.

Shareholders who submit an opinion slip without actually speaking are considered to have remained silent. If the shareholder's actual comments differ from those stated in the opinion slip, the actual comments expressed shall be taken into record.

Each shareholder shall speak for no more than two times, for 5 minutes each, on the same motion unless otherwise agreed by the chairperson. The

chairperson may stop shareholders from speaking if they violate any terms of the policy or speak outside the discussed topic.

While a shareholder is speaking, other shareholders cannot speak simultaneously or interfere in any way unless agreed by the chairperson and the person speaking. Any violators shall be restrained by the chairperson.

Where a corporate shareholder has appointed two or more representatives to attend the shareholder meeting, only one representative may speak per motion. After a shareholder has finished speaking, the chairperson may answer the shareholder's queries personally or appoint any relevant personnel to do so.

Article 12

Votes in a shareholder meeting are vested based on the number of shares represented.

Shares that do not carry voting rights are excluded from the calculation of outstanding shares when voting for the final resolution.

Shareholders cannot vote, or appoint proxies to vote, on any motions that present a conflict between their own interests and interests of the Company.

The number of shares held by shareholders who are not permitted to vote shall be excluded from the calculation of total voting rights.

With the exception of trust enterprises and certain share transfer agencies approved by the authority, a proxy may not represent more than 3% of total voting rights in aggregate when representing two or more shareholders during the meeting. Voting rights that exceed this threshold shall be excluded from calculation.

Article 13

Shareholders are entitled to one vote per share, except for shares that are subject to voting restrictions or situations outlined in Paragraph 2, Article 179 of The Company Act.

The Company shall give shareholders the option to exercise voting rights in writing or using the electronic method during shareholder meetings. Instructions for exercising voting rights in writing or through electronic means shall be stated clearly in writing on the meeting advice. Shareholders who have voted in writing or using the electronic method are considered to have attended shareholder meeting in person. However, they are considered to have waived their rights to participate in any special motions or amendments to the original discussions that may arise during the shareholder meeting. For this reason, the Company shall avoid proposing special motions or amendments to the original motion where possible.

Instructions to exercise written and electronic votes shall be delivered to the Company at least 2 days before the shareholder meeting. In the event of duplicate submissions, the earliest submission shall be taken into record. However, exception is granted if the shareholder issues a proper declaration to withdraw the previous instruction.

Shareholders who wish to attend the shareholder meeting in person after exercising their voting rights in writing or using electronic methods are required to withdraw their votes using the same method by which the vote was cast in the first place, and by no later than two days before the day of shareholder meeting. The written/electronic vote shall prevail if not withdrawn before the cutoff time. If a shareholder exercises vote in writing

or through electronic means and at the same time delegates a proxy to attend shareholder meeting, the voting decision exercised by the proxy shall prevail. Unless otherwise regulated by The Company Act or stated in the Articles of Incorporation, a motion is passed when supported by shareholders representing more than half of total voting rights in the meeting. When voting, the chairperson or delegate thereof shall announce the total number of voting rights represented by attending shareholders for every motion discussed, and have shareholders vote on a case-by-case basis. Details including the number of votes in favor, against, and abstained for each discussion shall be uploaded onto MOPS on the same day the shareholder meeting ends.

In cases where several amendment or alternative solutions have been proposed at the same time, the chairperson shall determine the order in which the proposals are voted. However, if any solution is passed, all other proposals shall be deemed rejected and no further voting is necessary.

The chairperson shall appoint ballot examiners and ballot counters to support the voting process. The ballot examiner shall be a shareholder.

Motion and election votes are to be counted openly at the shareholder meeting. Results of the vote, including the final tally, shall be announced on-site and recorded in minutes.

Article 14

Shareholder meetings that involve election of directors shall proceed according to the Company's election policy. Results of the election, including the list of elected directors and the final tally, shall be announced on-site.

All ballots used in the above election shall be sealed and signed by the ballot examiner, and held in proper custody for at least one year. However, if a shareholder raises a litigious claim against the Company in accordance with Article 189 of The Company Act, the abovementioned documents shall be retained until the end of the litigation.

Article 15

Shareholder meeting resolutions shall be compiled into detailed minutes, and signed or sealed by the chairperson, and disseminated to each shareholder by no later than 20 days after the meeting. Preparation and distribution of meeting minutes can be made in electronic form.

The Company may disseminate meeting minutes by posting details onto MOPS.

The minutes shall detail the date and venue of the meeting, the chairperson's name, the method of resolution, the proceeding and voting results of various motions (including weight). If director election is held during the meeting, the minutes shall disclose the number of votes received by each candidate.

Minutes shall be retained for as long as the Company exists.

Article 16

During the shareholder meeting, the Company shall disclose information regarding the number of shares acquired by acquirers and the number of shares represented by proxies using the prescribed format.

The Company shall disclose on MOPS in a timely manner any shareholder meeting resolutions that constitute material information as defined by law or the rules of Taiwan Stock Exchange Corporation (or Taipei Exchange).

Article 17

Officers of the shareholder meeting shall wear proper identification or arm badge.

The chairperson may instruct security staff to help maintain order in the meeting. While maintaining order in the meeting, all security staff are required to wear arm badges or identifications that identify their role as "Security."

The chairperson may stop anyone who attempts to speak using instruments that are not provided by the Company.

The chairperson may instruct security staff to remove shareholders who continue to violate conference rules despite being warned.

Article 18

The chairperson may put the meeting in recess at appropriate times. In the event of force majeure, the chairperson may suspend the meeting temporarily and resume at another time.

If the shareholder meeting is unable to conclude all scheduled motions (including special motions) before the venue is due for return, participants may resolve to continue the meeting at an alternative location.

Shareholders may also resolve to postpone or resume the meeting within the next 5 days, according to Article 182 of The Company Act.

Article 19

The above rules shall take effect immediately once approved during shareholder meeting; the same applies to all subsequent revisions.

The rules were established on April 30, 2015

The 1st amendment was made on February 23, 2016

The 2nd amendment was made on May 22, 2020

Onyx Healthcare Inc. Directors Election Policy

Article 1

The Policy has been established in accordance with Articles 21 and 41 of "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" to ensure fairness, justice, and transparency of the director election process.

Article 2

Unless otherwise specified by law or the Articles of Incorporation, election of the Company's directors shall proceed according to the procedures stated herein.

Article 3

Board composition should be taken into consideration when electing director members. Board members should be diversified in a manner that supports the Company's operations, business activities, and growth. The diversification shall be based on, but is not limited to, the following two principles:

- I. Background and value: Gender, age, nationality, culture etc.
- II. Knowledge and skills: Career background (e.g., law, accounting, industry, finance, marketing, or technology), professional skill, and industry experience.

All board members shall possess the knowledge, skills, and characters needed to exercise their duties. The board as a whole shall possess the following capacity:

- I. Ability to make operational judgments.
- II. Accounting and financial analysis.
- III. Business administration.
- IV. Crisis management.
- V. Industry knowledge.
- VI. Vision of the global market.
- VII. Leadership.
- VIII. Decision making.

More than half of the Company's board members shall consist of persons who are neither a spouse nor a second-degree relative or closer to any director.

Composition of the board of directors shall be determined after taking into consideration the overall performance evaluation.

Article 4

Independent directors are subject to the eligibility criteria specified in Articles 2, 3, and 4 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."

Election of independent directors is subject to comply with Articles 5, 6, 7, 8 and 9 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies," and Article 24 of "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies."

Article 5

Election of directors shall proceed according to the nomination system mentioned in Article 192-1 of The Company Act.

Once the Company's shares are listed on TWSE or TPEX, all director elections shall proceed using the candidate nomination system.

If the number of independent directors falls short of the requirements stated in Paragraph 1, Article 14-2 of the Securities and Exchange Act, a by-election shall be held in the upcoming shareholder meeting. If all independent directors are dismissed from duty, the Company shall convene an extraordinary shareholder meeting within 60 days from the date of occurrence to elect candidates for the shortfall.

If the number of independent directors falls short of the requirements stated in Paragraph 1, Article 14-2 of the Securities and Exchange Act, a by-election shall be held in the upcoming shareholder meeting. If all independent directors are dismissed from duty, the Company shall convene an extraordinary shareholder meeting within 60 days from the date of occurrence to elect candidates for the shortfall

Article 6

Election of the Company's directors shall proceed using the cumulative voting system. Each share is vested with voting rights equal to the number of directors to be elected. These voting rights may be concentrated on one candidate or spread across multiple candidates.

Article 7

The board of directors shall produce ballots in quantities that match the number of directors to be elected, and apply weight before distributing them to shareholder meeting participants. Conference pass serial number can be printed on the ballot for identification purpose instead of voter's name.

Article 8

Votes are distinguished between independent and non-independent directors. Candidates who receive the highest number of votes shall be assigned the role of non-independent director followed by independent director, until the number of non-independent director and independent director seats mentioned in the Articles of Incorporation are fully filled. If two or more candidates receive the same number of votes, they shall draw for the remaining available seats. The chairperson will draw on behalf of those who are absent during the meeting.

Article 9

Before the election begins, the chairperson shall appoint several shareholders to undertake the roles of ballot examiner and ballot counter to perform various duties relating to the election. The ballot box will be made available by the board of directors, and shall be opened for inspection by the ballot examiner prior to voting.

Article 10

Ballots are voided in any of the following circumstances:

- I. Use of ballot that is not prepared by authorized convener.
- II. Casting of blank ballots into the ballot box.
- III. Ballots with illegible writing or are altered.
- IV. The identity of the candidate specified in ballot does not match the candidates list.
- V. Ballots that contain writings other than allocated votes.

Article 11

Ballots are to be counted openly immediately after voting. The chairperson shall announce on-site the outcome of the vote, including the names of elected directors and the number of votes received.

All ballots used in the above election shall be sealed and signed by the ballot examiner, and held in proper custody for at least one year. However, if a shareholder raises a litigious claim against the Company in accordance with Article 189 of The Company Act, the abovementioned documents shall be retained until the end of the litigation.

Article 12

The procedures shall take effect once approved during shareholder meeting; the same applies to all subsequent amendments.

The rules were established on April 30, 2015.

The 1st amendment was made on February 23, 2016.

The 2nd amendment was made on July 2, 2021.

Attachment XIII

Shareholdings of the Directors of Onyx Healthcare Inc.

1. The Company has paid-up capital of NT\$332,613,000 issued in 33,261,300 shares.
2. According to "Article 26 of Securities and Exchange Act" and "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies," directors of the Company are required to maintain an aggregate holding of at least 4,500,000 shares. The Company has elected at least two independent directors, therefore required shareholding of non-independent directors is reduced to 80% at least 3,600,000 shares.
3. All Directors of the Company held a total of 16,476,259 shares as of April 02, 2022, the book closure date of the current annual general meeting. Shareholding of individual directors is shown below:

| Title | Name | Date elected | Shareholding while elected | | Shareholding position as at the book closure date | |
|----------------------|--|--------------|----------------------------|----------------------------------|---|-------------------------|
| | | | Number of shares held | Shareholding percentage (Note 1) | Number of shares held | Shareholding percentage |
| Chairman | Jui Hai Investment Co., Ltd. Representative : Chuang, Yung-Shun | 2019/5/29 | 134,823 | 0.67% | 219,080 | 0.66% |
| Director | AAEON Technology Inc. Representative : Wang, Feng-Hsiang | 2019/5/29 | 10,004,678 | 50.00% | 16,257,176 | 48.88% |
| Director | AAEON Technology Inc. Representative : LIN, CHIEN-HUNG | 2019/5/29 | | | | |
| Director | Lee, Tsu-Der | 2019/5/29 | 0 | 0 | 0 | 0 |
| Independent Director | CHIANG, PO-WEN | 2019/5/29 | 0 | 0 | 0 | 0 |
| Independent Director | Tai, Yi-Hui | 2019/5/29 | 0 | 0 | 0 | 0 |
| Independent Director | Lee, San-Liang | 2019/5/29 | 0 | 0 | 0 | 0 |
| Total | | | 10,139,501 | 50.67% | 16,476,259 | 49.54% |

Note 1: Shareholding at time of election was calculated using the number of shares outstanding at the time, or 20,007,471 shares.



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