

Great Tree Pharmacy Co., Ltd.

Procedures for Providing Endorsements/Guarantees

Article 1: Purpose and legal reference

To protect shareholders' interests, promote sound financial management and to reduce operating risk, the Company has established these Regulations in line with the "Procedures for Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" from the FSC. Any matter related to making of endorsements/guarantees from the Company will be carried out in accordance with these Regulations.

Article 2: Target of endorsements/guarantees

The Company may make endorsements/guarantees for the following companies:

- I. A company with which it does business.
- II. A company in which the Company directly and indirectly holds more than 50 percent of the voting shares.
- III. A company that directly and indirectly holds more than 50 percent of the voting shares in the Company.

Companies in which the Company holds, directly or indirectly, 100% of the voting shares may make endorsements/guarantees for each other.

Where the Company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project, or where all capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages, or where companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other, such endorsements/guarantees may be made free of the restriction of the preceding two paragraphs.

Capital contribution referred to in the preceding paragraph shall mean capital contribution directly by the Company, or through a company in which the Company holds 100% of the voting shares.

Article 3: Scope of endorsements/guarantees

The term "endorsements/guarantees" as used in the Procedures refers to the following:

- I. Financing endorsements/guarantees, including: bill discount financing; endorsement or guarantee made to meet the financing needs of another company, or issuance of a separate negotiable instrument to a non-financial enterprise as security to meet the financing needs of the company itself.
- II. Customs duty endorsement/guarantee means an endorsement or guarantee made by the Company or another company with respect to customs duty matters.

III. Other endorsements/guarantees mean endorsements or guarantees beyond the scope of the above two paragraphs.

Any creation by the Company of a pledge or mortgage on its chattel or real property as security for the loans of another company shall also comply with the Procedures.

Article 4: Limits on endorsements/guarantees

The total amount of the endorsements/guarantees provided by the Company to others shall not exceed 50% of the Company's net value. The amount of the endorsement/guarantee provided by the Company to any individual entity shall not exceed 30% of the Company's net value. The limit in which the Chairman may be delegated for approval is set at 50% of the preceding endorsements/guarantees. The net value mentioned above is subject to the latest Annual Report or semi-annual Financial Statements most recently reviewed by the CPA. However, when the limit set on endorsements/guarantees needs to be exceeded due to business needs, approval from the Board of Directors shall be obtained and the majority of the Directors shall provide joint guarantee against the Company's possible losses from exceeding the limit. The "Procedures for Providing Endorsements/Guarantees" shall be amended accordingly for post-event adoption from the Shareholders' Meeting. When the Shareholders' Meeting does not approve, the portion exceeding the limit shall be eliminated within a certain time line.

Article 5: Endorsements/guarantees made by the Company shall be conducted after receiving approval from the approval of the Board of Directors. A predetermined limit may be delegated to the Chairman by the Board of Directors and such endorsement/guarantee shall be reported to the upcoming Board of Directors meeting for ratification. The status of implementation shall also be reported to the Shareholders' Meeting for review.

Article 6: In processing endorsements/guarantees, the company applying for the endorsement/guarantee shall submit an application to the Company in writing along with its company operating permit and financial statements. Upon review and approval from the Company's Finance Department in accordance with the Procedures, the documents will be submitted to the Board of Directors for review, and processed in accordance with the Board's resolution.

Article 7: Processing procedures

In processing endorsements/guarantees, the Company's review process shall include:

- I. The necessity of and reasonableness of endorsements/guarantees.
- II. Credit status and risk assessment of the entity for which the endorsement/guarantee is made.
- III. The impact on the Company's business operations, financial condition, and shareholders' equity.
- IV. Whether collateral must be obtained and appraisal of the value thereof.

Article 8: The Company shall apply for registration with the Ministry of Economic Affairs for its official seal and for a special-purpose seal for endorsements and/or guarantees. The official seal shall be kept by the Company's designated personnel. Consent must be

obtained from the Board of Directors when there is a change in the aforementioned designated personnel. When providing an endorsement/guarantee to a foreign company, the endorsement/guarantee letter shall be executed and signed by a person designated by the Board of Directors.

Article 9: The Finance Department of Company shall prepare a memorandum book for its endorsement/guarantee activities and record in detail the following information for the record: the items endorsed/guaranteed, the entity for which the endorsement/guarantee is made, results of risk assessment, the amount of endorsement/guarantee, the information regarding collateral obtained, conditions and date of withdrawal of endorsement/guarantee, and so on.

Upon public offering on the TWSE or the TPEX, the Company shall publicly announce the matters within the period specified by the FSC.

Article 10: After public listing, the amount of the Company's endorsements/guarantees shall be publicly announced and declared in accordance with the procedures below:

I. The Finance Department shall submit the previous month's balance of endorsements/guarantees of the Company and its subsidiaries to a Finance and Accounting Departments, and the information shall be announced and reported by the 10th of each month along with business figures.

II. In addition to reporting the balance of endorsements/guarantees, when the Company's balance of endorsements/guarantees reaches one of the following levels, the Finance Department shall notify the Accounting Department with relevant information, which shall be announced and reported within two days of commencing immediately from the date of occurrence:

(I) The aggregate balance of endorsements/guarantees by the Company and its subsidiaries reaches 50 percent or more of the Company's net worth as stated in its latest financial statement.

(II) The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches 20 percent or more of the Company's net worth as stated in its latest financial statement.

(III) The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches NT\$10 million or more and the aggregate amount of all endorsements/guarantees for, carrying amounts of investments accounted for using equity method, and balance of loans to, such enterprise reaches 30 percent or more of the Company's net worth as stated in its latest financial statement.

(IV) The amount of new endorsements/guarantees made by the Company or its subsidiaries reaches NT\$30 million or more, and reaches 5 percent or more of the Company's net worth as stated in its latest financial statement.

Article 11: Where a subsidiary of the Company intends to make endorsements/guarantees for others, the Company shall instruct it to formulate its own "Procedures for Providing Endorsements/Guarantees," and it shall comply with its Procedures when making endorsements/guarantees. Subsidiary shall also report the amount, target, and duration of endorsements/guarantees to the Company before the 5th of each month. The Company shall announce and report on behalf of any of its subsidiaries that are not a

domestic public company any matters that such subsidiary is required to announce and report pursuant to Subparagraphs in the preceding Paragraph.

In case the entity for which the endorsement/guarantee is made is a subsidiary with a net worth lower than 50% of the paid-in capital, the subsidiary is required to propose a net worth improvement report and measures before the 10th of each month, and progress of which will be tracked. If the subsidiary's share has no nominal or par value, or if its nominal or par value per share is not NT\$10, the paid-in capital shall be calculated by adding the share capital with capital surplus, followed with deduction of the sum of the issue premium.

Article 12: Any matter not covered by the Regulations will be processed in accordance with the "Procedures for Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" announced by the FSC.

Article 13: The Company evaluates or recognizes the contingent loss of the endorsement in accordance with the provisions of the Financial Reporting Standards No. 9 to disclose information regarding the endorsement in the financial report, and provides relevant information of the verification accountant for the CPA to perform the necessary audit procedures.

Article 14: The Company's internal auditors shall audit the Regulations Governing Making of Endorsements/Guarantees and the implementation thereof no less frequently than quarterly and prepare written records accordingly. They shall promptly notify the Audit Committee in writing of any material violation found.

In case a manager or handling personnel violates the Procedures in processing endorsements/guarantees, leading to material losses or severe violations, punishment or compensation-seeking measures will be taken in accordance with the Company's relevant incentive/disincentive evaluation methods and personnel rules.

Article 15: The Regulations shall be approved by the Audit Committee and approved by Board of Directors by resolution, and shall be submitted to a Shareholders' Meeting for approval; If any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the Director's dissenting opinion to a Shareholders' Meeting for discussion, the same applies when the Procedures are amended.

If the approval of the Audit Committee is not obtained as described in the preceding paragraph, the establishment or revision of the Procedures may be implemented if approved by more than two-thirds of all Directors and the resolution of the Audit Committee shall be recorded in the minutes of the Board meeting.

Article 16: When the Procedures are submitted for discussion by the Board of Directors, the Board of Directors shall take into full consideration each Independent Director's opinion; Independent Directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the Board of Directors' meeting.

Article 17: The Regulations were enacted on June 15, 2012; and first amendment took place on June 25, 2013. Second amendment was on June 26, 2019. The third amendment will take place on June 17, 2020.