

Great Tree Pharmacy Co., Ltd.

Meeting Agenda to the Annual Shareholders' Meeting 2020

(Summary Translation)

Time: 10 a.m., Wednesday, June 17, 2020

Venue: No. 143, Chengzhang 4th Street, Zhongli District, Taoyuan City.

- I. Calling the Meeting to order (Announcing the total number of shares represented at the Meeting)
- II. The Chair's Remarks
- III. Report Items
 - (I) The Company's 2019 Business Report.
 - (II) The Company's 2019 Supervisors' Audit Report.
 - (III) The Company's 2019 Distribution of Employee Compensation and Remunerations of the Directors and Supervisors.
 - (IV) Establish the Company's Ethical Corporate Management Best Practice Principles.
 - (V) Amendments to the Company's Corporate Governance Best Practice Principles.
 - (VI) Amendments to the Company's Corporate Social Responsibility Best Practice Principles.
 - (VII) Amendments to the Company's "Procedures for Ethical Management and Guidelines for Conduct".
 - (VIII) Status of the Company's Issuance of Domestic Unsecured Convertible Bonds.
- IV. Proposals
 - (I) The Company's 2019 Business Report and Financial Statements.
 - (II) The Company's 2019 Appropriation of Profit.
- V. Discussions
 - (I) Proposal for a new share issue through capitalization of earnings.
 - (II) Amendments to the Company's Articles of Incorporation.
 - (III) Amendments to the Company's Rules of Procedure for Shareholders' Meetings.
 - (IV) Amendments to the Company's Procedures for Election of Directors and Supervisors, renamed as Procedures for Election of Directors.
 - (V) Amendments to the Company's Regulations Governing the Acquisition and Disposal of Assets, Regulations Governing Loaning of Funds, and Regulations Governing Making of Endorsements/Guarantees.
- VI. Elections

General Re-elections of the Board of Directors.
- VII. Other Matters

The release of non-competition restrictions for the newly elected Directors and their representatives.
- VIII. Extempore Motions
- IX. Adjournment

Report Items

- I. Please examine the Company's 2019 Business Report.
Description: Please refer to the meeting agenda for the Company's 2019 Business Report.
- II. Please examine the 2019 Supervisors' Audit Report.
Description: Please refer to the meeting agenda for the 2019 Supervisors' Audit Report.
- III. Please examine the Company's 2019 Distribution of Employee Compensation and Remunerations of The Directors and Supervisors.
Description: The Company has had NT\$166,890,583 of profit in 2019 (all functional currency denoted in NTD in the following in this Handbook). Pursuant to the Company's Articles of Incorporation, 0.89% of which, or NT\$1,485,326, and 3% of which, or NT\$5,006,718, will be distributed in cash to Directors and Supervisors, and employees respectively.
- IV. Please examine the Company's proposal to establish Ethical Corporate Management Best Practice Principles.
Description: To foster a corporate culture of ethical management and sound development, the Company has established its Ethical Corporate Management Best Practice Principles in reference to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies. Please refer to the meeting agenda for details.
- V. Please examine the Company's proposed amendments to the Company's Corporate Governance Best Practice Principles.
Description: In line with the Company's establishment of the Audit Committee in place of the functionalities of Supervisors, the Company proposes to amend its Corporate Governance Best Practice Principles. Please refer to the meeting agenda for a table of comparisons before and after amendments.
- VI. Please examine the Company's proposed amendments to the Company's Corporate Social Responsibility Best Practice Principles.
Description: In line with the Company's establishment of the Audit Committee in place of the functionalities of Supervisors, the Company proposes to amend its "Corporate Social Responsibility Best Practice Principles." Please refer to the meeting agenda for a table of comparisons before and after amendments.
- VII. Please examine the Company's proposed amendments to the Company's Procedures for Ethical Management and Guidelines for Conduct.
Description: In line with the Company's establishment of the Audit Committee in place of the functionalities of Supervisors, the Company proposes to amend its Procedures for Ethical Management and Guidelines for Conduct. Please refer to the meeting agenda for a table of comparisons before and after amendments.
- VIII. Status of the Company's Issuance of Domestic Unsecured Convertible Bonds.
Description:
 1. The Company's Board meeting on March 9, 2018 has approved of issuance of NT\$300 million

of the first batch of domestic unsecured convertible bonds. The purpose of this financing activity is to repay bank borrowings and for operating needs.

2. Please see the following table for the status of the Company's issuance of domestic unsecured convertible bonds:

Type of bond	First batch of domestic unsecured convertible bond
Nominal amount issued	NT\$100,000
Issued price	NT\$100
Total	NT\$300,000,000
Par interest rate	0%
Duration	June 12, 2018 to June 12, 2021
Convertible premium rate	103.00%
Most recent conversion price	NT\$69.60
Number of ordinary shares converted and amount yet to be converted as of the book closure date	Number of ordinary shares converted: 1,945,646 shares Amount yet to be converted: NT\$162,400,000

Proposals

Proposal 1. (proposed by the Board of Directors)

Proposal: Please approve of the Company's 2019 Business Report and Financial Statements.

Description:

1. The Board of Directors has approved of the Company's 2019 Financial Statements, which have been audited by Certified Public Accountants (CPA) Lo Hsiao Chin and Cheng Ching Piao from Ernst & Young Taiwan and reviewed by the Supervisor along with the Business Report pursuant to the Company Act.
2. Please refer to the meeting agenda for the 2019 Business Report, CPA Audit Report and the Financial Statements (including Consolidated Financial Statements).

Resolution:

Proposal 2. (proposed by the Board of Directors)

Proposal: Please approve of the Company's 2019 Appropriation of Net Income.

Description:

1. The Company's after-tax net income in 2019 was NT\$135,984,803. After appropriating legal capital reserve, adding the beginning undistributed surplus and other comprehensive income or loss (remeasurements of defined benefits plan in 2019), and the retained earnings available for distribution for this period was NT\$160,149,424. The Company proposes to distribute NT\$43,484,275 as cash dividends for ordinary shares (NT\$1 cash dividend for every share), and stock dividends of NT\$78,271,670 for ordinary shares (appropriation of approximately 180 shares for every 1,000 shares). The Company's 2019 appropriation of profit is listed in the table below:

2019 Appropriations of Profit

Unit: NT\$

Item	Amount
Beginning retained earnings	\$95,566,482
Less: Effects of retrospective application and retrospective restatement	(56,484,347)
Less: Other comprehensive income (loss)	(1,319,034)
Remeasurements of 2019 Defined Benefit Plan	
Add: 2019 after-tax net income	135,984,803
Less: appropriation of legal capital reserve	(13,598,480)
Retained earnings available for distribution for this period	160,149,424
Allocations	
Shareholders' dividends - cash (NT\$1.00 per share)	(43,484,275)
Shareholders' dividends - shares (approximately NT\$1.80 per share)	(78,271,670)
	(121,755,945)
Ending retained earnings	\$38,393,479
Note:	
1. Profits from 2019 would be appropriated first during current appropriations of profits.	
2. As of the application date on February 24, 2020, Great Tree has issued cumulatively 43,484,266 ordinary shares.	

2. Subsequently, if changes occur to the Company's share capital, affecting the number of shares outstanding, leading to adjustments to the rate of shareholders' dividend distribution, the Company proposes to ask the Shareholders' Meeting to delegate the Chairman with all competent authority to handle related matters. And the Company also proposes to ask the Shareholders' Meeting to delegate the Chairman to establish related matters including setting an ex-dividend date etc.
3. Cash dividends will be calculated in proportion to the nearest NTD. Amounts less than NT\$1 will be counted cumulatively and adjusted from the largest to the smallest and based on the number of the shareholders' account numbers until the current cash dividend total is met.

Resolution:

Discussions

Proposal 1. (proposed by the Board of Directors)

Proposal: Please discuss the proposal to distribute new shares through transferring capital surplus.

Description:

1. In line with operating needs and to fulfill the Company's capital needs, the Company proposes to allocate NT\$78,271,670 from the Company's 2019 surplus available for appropriation, and to issue 7,827,167 new shares as capital increase. Each share will have a par value of NT\$10, and all will be ordinary shares.
2. 180 shares will be distributed for every 1,000 shares in proportion to the number of shares owned by shareholders recorded on the list of stockholders on the ex-dividend date. Petty stock of less than 1 share will be distributed in cash and rounded to the nearest NTD pursuant to Article 240 of the Company Act. Shareholders can also piece together shares owned to the nearest one whole share to the share transfer agency within 5 days from the ex-dividend date. The Chairman will be authorized to negotiate with specific persons to purchase the petty cash at par value.
3. Subsequently, if changes occur to the Company's share capital, affecting the number of shares outstanding, leading to adjustments to the rate of shareholders' dividend distribution, the Company proposes to ask the Shareholders' Meeting to delegate the Chairman with all competent authority to handle related matters.
4. New shares to be issued in the current capital increase have the same rights and obligations as the ordinary shares already issued.
5. Upon approval from the General Shareholders' Meeting and applying to the competent authority for approval pursuant to the law, the Company proposes to ask the Shareholders' Meeting to authorize the Board of Directors to establish the ex-dividend date and related matters. In case changes are needed based on competent authority's request for amendment or based on actual needs, the Company proposes to ask the Shareholders' Meeting to delegate the Chairman with all rights to handle related matters.

Resolution:

Proposal 2. (proposed by the Board of Directors)

Proposal: Please discuss the proposed amendments to the Company's Articles of Incorporation.

Description:

1. In line with the Company's establishment of the Audit Committee in place of the functionalities of Supervisors, the Company proposes to amend parts of articles of its Articles of Incorporation.
2. Please refer to the meeting agenda for a Table of Comparisons Before and After Amendments of Articles of Incorporation.

Resolution:

Proposal 3. (proposed by the Board of Directors)

Proposal: Please discuss the proposed amendments to the Company's Rules of Procedure for Shareholders Meetings.

Description:

1. Pursuant to Directive Letter No. 10900500262 from the Taipei Exchange issued on January 13, 2020 and in line with the Company's establishment of the Audit Committee in place of the functionalities of Supervisors, the Company proposes to amend parts of articles of its Rules of Procedure for Shareholders Meetings.
2. Please refer to the meeting agenda for a Table of Comparisons Before and After Amendments of Rules of Procedure for Shareholders Meetings.

Resolution:

Proposal 4. (proposed by the Board of Directors)

Proposal: Please discuss the proposal to amend parts of articles of the Company's Procedures for Election of Directors and Supervisors and to rename the Procedures as Procedures for Election of Directors.

Description:

In line with the Company's establishment of the Audit Committee in place of the functionalities of Supervisors, the Company proposes to amend parts of articles of its Procedures for Election of Directors and Supervisors and to rename the Procedures as Procedures for Election of Directors. Please refer to the meeting agenda for a Table of Comparisons Before and After Amendments.

Resolution:

Proposal 5. (proposed by the Board of Directors)

Proposal: Please discuss the proposal to amend parts of articles of the Company's Regulations Governing the Acquisition and Disposal of Assets, Regulations Governing Loaning of Funds, and Regulations Governing Making of Endorsements/Guarantees.

Description:

1. In line with the Company's establishment of the Audit Committee in place of the functionalities of Supervisors, the Company proposes to amend parts of articles of its Regulations Governing the Acquisition and Disposal of Assets, Regulations Governing Loaning of Funds, and Regulations Governing Making of Endorsements/Guarantees.
2. Please refer to the meeting agenda for a Table of Comparisons Before and After Amendments of Regulations Governing the Acquisition and Disposal of Assets, Regulations Governing Loaning of Funds, and Regulations Governing Making of Endorsements/Guarantees".

Resolution:

Matters for Election

(Proposed by the Board of Directors)

Proposal: General Re-elections of the Board of Directors.

Description:

1. Directors and Supervisors of the Company will fulfill their terms by June 22, 2020. Pursuant to the Company Act, a general re-elections of the Board of Directors will be held at this General Shareholders' Meeting.
2. Pursuant to Paragraph 4, Article 14 of the Securities and Exchange Act and Directive No. 10703452331 from the Financial Supervisory Commission (FSC), an Audit Committee will be set up. Hence, a seat of Supervisor will no longer be set up in accordance with legal regulations. In place of the Supervisors, the Audit Committee will be comprised of all Independent Directors after the elections.
3. Seven Directors (including three Independent Directors) will be elected using a nomination system during the general re-elections.
4. The newly elected Directors will have a term of 3 years, starting from June 17, 2020 and ending on June 16, 2023. The term of office of outgoing Directors and Supervisors expires upon the completion of this General Shareholders' Meeting.
5. A list of nominees has been compiled as the following:

Type of Nominees	Name	Education Background	Work Experiences	Present Position	Number of shares held
Director	Representative of Jun Wei Investment Co., Ltd: Liu Yu Teng	Bachelor of School of Pharmacy, China Medical University	Chairman of Great Tree Pharmacy Co., Ltd.	<ul style="list-style-type: none"> ● Chairman of Great Tree Pharmacy Co., Ltd. ● Chairman of Ivy Biotechnology Co., Ltd. ● Chairman of Bai-Lin Logistics Co., Ltd. ● Chairman of Treetop Molecular Biotechnology Co., Ltd. ● Director and General Manager of Jun Wei Investment Co., Ltd ● Director and General Manager of Hao Cheng Investments Co., Ltd. 	6,276,986
Director	Representative of Zhen Han Investment Co., Ltd: Cheng Ming Lung	Bachelor of Fashion Design, Shih Chien University	General Manager of Great Tree Pharmacy Co., Ltd.	<ul style="list-style-type: none"> ● General Manager of Great Tree Pharmacy Co., Ltd. ● Director and General Manager of Ivy Biotechnology Co., Ltd. ● Director and General Manager of Bai-Lin Logistics Co., Ltd. ● Directors of Treetop Molecular Biotechnology Co., Ltd. ● Chairman of Da Yu Property Management Co., Ltd. ● Director and General Manager of Zhen Han Investment Co., Ltd. 	5,154,458
Director	TOP TAIWAN XI VENTURE CAPITAL CO., LTD	—	—	<ul style="list-style-type: none"> ● Director of Share Hope Medicine Co., Ltd. ● Director of Trust Bio-Sonics Inc. ● Director of Steminent Biotherapeutics, Inc. ● Director of TaiHao Medical Inc. ● Supervisor of Brim Biotechnology, Inc. 	283,347
Director	Chen Hung Yi	Ph.D.in Chemistry, College of Pharmacy, China Medical University	Associate Professor, College of Pharmacy, China Medical University	Associate Professor, College of Pharmacy, China Medical University	None
Independent Director	Liu Tian Dao	Bachelor of Business Administration, National	Certified Public Accountant, Zhi-Dao	Certified Public Accountant, Zhi-Dao Accounting Firm	None

Type of Nominees	Name	Education Background	Work Experiences	Present Position	Number of shares held
		Taiwan University (Taiwan)	Accounting Firm		
Independent Director	Guo Dai Huang	Ph.D.in Chemistry, College of Pharmacy, China Medical University	Professor and President of the School of Pharmacy, Tajen University	Professor and President of the School of Pharmacy, Tajen University	30,622
Independent Director	Wang Xing Wen	<ul style="list-style-type: none"> ● Master of Industrial Economics, National Chung Cheng University ● Bachelor of Law, Soochow University 	Managing Attorney of Wan Xing Wen Attorneys-at-law	Managing Attorney of Wan Xing Wen Attorneys-at-law	None

6. Please proceed with the election.

Result of Election:

Other Matters

(Proposed by the Board of Directors)

Proposal: Please discuss the proposal to release the newly elected Directors and their representatives from non-compete clause.

Description:

1. According to 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 Shareholders' Meeting the essential contents of such an act and secure its approval."
2. Owing to the fact that the new elected directors might invest or manage other companies with similar trading field to the Company, the proposal to dismiss the non-competition limitation to the new elected directors and their representatives should be considered in the 2020 regular shareholders meeting according to Article 209 of the Company Act.
3. Please refer to the meeting agenda for the Releasing the non-compete restrictions on the Company's Directors.

Resolution:

Extraordinary Motions

Adjournment