

TWSE Stock Code: 6469



Great Tree Pharmacy Co., Ltd.

2021 Annual Shareholders' Meeting
Meeting Handbook

Time: June 24, 2021

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

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I. Meeting Procedure

Great Tree Pharmacy Co., Ltd.

Meeting Procedures of the 2021 General Shareholders' Meeting

- I. Calling the Meeting to Order
- II. The Chair's Remarks
- III. Report Items
- IV. Proposals
- V. Discussions
- VI. Matters for Election
- VII. Other Matters
- VIII. Extraordinary Motions
- IX. Adjournment

II. Meeting Agenda

Great Tree Pharmacy Co., Ltd.

Agenda of 2021 General Shareholders' Meeting

Time: 10 a.m., Thursday, June 24, 2021

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 2020 Business Report.
 - (II) Audit Committee's audit report for 2020.
 - (III) The Company's 2020 Distribution of Employee Compensation and Remunerations of the Directors and Supervisors.
 - (IV) Report on the Status of the Company's First Batch of Issuance of Domestic Unsecured Convertible Bonds.
- IV. Proposals
 - (I) The Company's 2020 Business Report and Financial Statements.
 - (II) The Company's 2020 Appropriation of Net Income.
- V. Discussions
 - (I) Proposal for a new share issue through capitalization of earnings.
 - (II) Proposal to amend certain articles of the Company's "Articles of Incorporation".
 - (III) Proposal to amend certain articles of the Company's "Procedures for Election of Directors".
 - (IV) Proposal to amend certain articles of the Company's "Rules of Procedure for Shareholders' Meeting".
 - (V) Proposal to amend certain articles of the Company's "Regulations Governing the Acquisition and Disposal of Assets".
- VI. Matters for Election

By-election to fill one vacancy in the Board of Directors.
- VII. Other Matters

To release the newly elected Director and their representative(s) from non-competition restriction.
- VIII. Extraordinary Motions
- IX. Adjournment

Report Items

I. Please examine the Company's 2020 Business Report.

Description: Please see Attachment 1 on #Pages10-12# in this Handbook for the Company's 2020 Business Report.

II. Please examine the Audit Committee's audit report for 2020.

Description: Please see Attachment 2 on #Pages13# in this Handbook for the Audit Committee's Audit Report.

III. Please examine the Company's 2020 Distribution of Employee Compensation and Remunerations of The Directors and Supervisors.

Description: The Company has had NT\$238,211,431 of profit in 2020 (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\$2,120,082, and 3% of which, or NT\$7,146,344, will be distributed in cash to Directors and Supervisors, and employees respectively.

IV. Report on the Status of the Company's First Batch of Issuance of Domestic Unsecured Convertible Bonds.

Description:

1. The Company's Board of Directors' 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 replenishing its working capital.

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	From June 12, 2018 to June 12, 2021
Convertible premium rate	103.00%
Most recent conversion price	NT\$59.20
Principal outstanding	Cash NT\$2,000,000
Implementation status of corporate bonds as of the record date (April 26, 2021)	Number of ordinary shares converted: 4,515,207 shares

Proposals

Proposal 1 (proposed by the Board of Directors)

Proposal: Please approve of the Company's 2020 Business Report and Financial Statements.

Description:

1. The Company's 2020 Financial Statements have been audited by Certified Public Accountants (CPA) Lo Hsiao Chin and Cheng Ching Piao from EY Taiwan and reviewed by the Audit Committee along with the Business Report, and written Audit Report has been issued accordingly.
2. Please see Attachment 1 on #Pages10-12# and Attachment 3 on #Pages14-31# in this Handbook for the 2020 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 2020 Appropriation of Net Income.

Description:

1. The Company's after-tax net profit in 2020 was NT\$194,310,941. After appropriating legal capital reserve, adding the beginning undistributed surplus and other comprehensive income or loss (remeasurements of defined benefits plan in 2020), the income available for distribution for this period was NT\$214,340,948. The Company proposes to distribute cash dividends of NT\$53,471,282 for ordinary shares (cash dividend of approximately NT\$1.00 per share), and share dividends of NT\$160,413,830 (share bonus of approximately 300 shares per thousand 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. For the current cash dividend distribution, the dividend will be calculated to the amount of one whole NTD, and any decimal point below one NTD will be rounded down. Shares below one NTD will be adjusted from the largest decimal place, until the total amount of cash dividend has been distributed.
4. The Company's 2020 appropriation of net income is listed in the table below:

Great Tree Pharmacy Co., Ltd.
2020 Appropriations of Net Income

Unit: NT\$

Item	Amount
Beginning retained earnings	\$38,393,479
Add: other comprehensive income (remeasurements of defined benefit plan in 2020)	1,186,247
Add: 2020 after-tax net income	194,310,941
Less: appropriation of legal capital reserve	(19,549,719)
Income available for distribution for this period	<u>214,340,948</u>
Allocations	
Cash dividends (approximately NT\$1.00 per share)	(53,471,282)
Share dividends (approximately NT\$3.00 per share)	(160,413,830)
	<u>(213,885,112)</u>
Ending retained earnings	<u><u>\$455,836</u></u>
Note:	
1. Profits from 2020 would be appropriated first during current appropriations of profits.	
2. Calculation is based on 53,471,278 shares outstanding as of February 28, 2021.	

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 replenish the Company's working capital, the Company proposes to allocate NT\$160,413,830 from the Company's 2020 surplus available for appropriation, and to issue 16,041,383 new shares as capital increase. Each share will have a par value of NT\$10, and all will be ordinary shares.
2. 300 shares will be distributed for every 1,000 shares in proportion to the number of shares owned by shareholders recorded on the list of shareholders on the ex-dividend date. Petty stock of less than 1 share will be distributed in cash and rounded to the nearest dollar (NTD) pursuant to Article 240 of the Company Act to cancel out any TDCC wire transfer or registration fees. 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 Shareholders' Meeting and applying to the competent authority for approval pursuant to legal regulations, 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 future capital plans, the Company proposes to increase the authorized capital to NT\$1.5 billion, to be distributed in 150,000,000 shares.
2. In line with actual operational needs, the Company proposes to apply for additional business activities; therefore, certain articles in the Company's Articles of Incorporation will be amended accordingly.
3. In line with Article 235,235-1,240 of the Company Act, the Company proposes to amend the regulations on directors' remuneration and surplus distribution.
4. For the comparison table of the "Articles of Incorporation" before and after the amendments, please refer to Attachment 4 on #Pages32-37 # of this Handbook.

Resolution:

Proposal 3 (proposed by the Board of Directors)

Proposal: Please discuss the proposal to amend certain articles of the Company's "Procedures for Election of Directors".

Description:

1. Pursuant to Directive Letter No. 1090338980 announced by the FSC on May 29, 2020, the Company will amend certain articles of its "Procedures for Election of Directors".
2. For the comparison table of the "Procedures for Election of Directors" before and after the amendments, please refer to Attachment 5 on #Pages38-41# of this Handbook.

Resolution:

Proposal 4 (proposed by the Board of Directors)

Proposal: Please discuss the proposal to amend certain articles of the Company's "Rules of Procedure for Shareholders' Meeting".

Description:

1. In accordance with Directive Letter No. 1090338980 announced by the FSC on May 29, 2020 and the Directive Letter No. 11000519042 announced by the Taipei Exchange (TPEX) on February 9, 2021, the Company will amend certain articles of its "Rules of Procedure for Shareholders' Meeting".
2. For the comparison table of the "Rules of Procedure for Shareholders' Meeting" before and after the amendments, please refer to Attachment 6 on #Pages42-44# of this Handbook.

Resolution:

Proposal 5 (proposed by the Board of Directors)

Proposal: Please discuss the proposal to amend certain articles of the Company's "Regulations Governing the Acquisition and Disposal of Assets".

Description:

1. The Company will amend certain articles in its "Regulations Governing the Acquisition and Disposal of Assets" in line with actual operational needs.
2. For the comparison table of the "Regulations Governing the Acquisition and Disposal of Assets" before and after the amendments, please refer to Attachment 7 on #Pages45-47# of this Handbook.

Resolution:

Matters for Election

(Proposed by the Board of Directors)

Proposal: Please proceed with the by-election to fill one vacancy arising during the current Board of Directors' term of office.

Description:

1. Liu Yu Teng, the Representative of the Company's Corporate Director Jun Wei Investment Co., Ltd, has resigned from his position as Director on November 9, 2020. Pursuant to provisions in the Company's Articles of Incorporation, a by-election will be held to fill the vacancy. The election will adopt a candidate nomination system, in which the Shareholders' Meeting will elect a Director from the list of Director's candidate.
2. The newly elected Director will take office immediately after the election to fill the former term. The term of office will be from June 24, 2021 to June 16, 2023.
3. The relevant information for the candidate of the by-election of Director is listed below:

Type of Nominee	Name	Educational Background	Work Experiences	Concurrent Role Held	Shares Held
Director	Lu Shan Feng	Bachelor's degree from Department of Pharmacy, Chia Nan University of Pharmacy & Science	<ol style="list-style-type: none">1. Qualified for Senior Pharmacist Examination for Professional and Technical Personnel2. Head of Operation Department at Great Tree Pharmacy Co., Ltd.3. Vice General Manager of Great Tree Pharmacy Co., Ltd.	<ol style="list-style-type: none">1. Vice General Manager of Great Tree Pharmacy Co., Ltd.2. Chairman of Great Tree Pets Co., Ltd.	455,853

Result of election:

Other Matters

(Proposed by the Board of Directors)

Proposal: Please discuss the proposal to release the newly elected Director and its representative(s) from non-compete clause.

Description:

1. According to Paragraph 1 of 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."
2. In consideration that that newly elected Director may invest or operate in a company that is within or similar to the scope of the Company's business or serve as its Director, pursuant to provisions in Article 209 of the Company Act, the Company proposes to ask the 2021 Annual Shareholders' Meeting to release the non-compete restriction from the newly elected Director.
3. Other Position Concurrently Held at the Company and Other Companies

Name of Companies/Institutions of the Concurrent Positions	Concurrent Title
Great Tree Pets Co., Ltd	Chairman

Resolution:

Extraordinary Motions

Adjournment

Attachment 1

Great Tree Pharmacy Co., Ltd. Business Report

The Company's 2020 operational performance and future outlook are summarized as below:

I. 2020 Business Report

(I) Implementation status of 2020 Business Plan

The Company has initiated a 5-year plan from 2016 to 2020, beginning in 2016 when the Company became listed on the Taipei Exchange. The plan was to replicate our past success and expand our business scope in 5 years, and to build economies of scale, the largest advantage in pharmacy retail channels. As of today, the Company can report to our shareholders that the promise we made five years ago has come true. Our operating revenue has grown from NT\$2.8 billion in 2016 to NT\$8.6 billion in 2020, and the Company has also become the largest pharmaceutical and healthcare industry channel in Taiwan. We are grateful for our shareholders' continued support for our long-term plan, which allowed us to concentrate on enhancing corporate values rather than pursuing short-term gains.

In 2020, the Company's consolidated net operating revenue has been NT\$8,641,394 thousand, showing a 30.90% increase from 2019. The pretax consolidated profit has been NT\$243,410 thousand, which showed an increase of 42.27% from 2019. Increases in both revenue and pretax profits are mostly attributable to the revenue injections from the Company's 46 new stores opened in 2020 and through effective cost control, enhancing operating efficiency. These efforts have paid off in the form of increases in both 2020 consolidated revenue and pretax profit.

At the beginning of 2019, the Company integrated the chain system of Pro Healthcare and organized community store pharmaceutical channel alliance. Its accumulated experience helped cooperation among the alliance in the pharmaceutical store channel business increasing differentiation in content management, encouraging more young franchisees to join the pharmaceutical store market. By 2020, about 56 stores have joined as partners.

By 2020, we currently have 193 stores and made various achievements in terms of e-commerce. In addition to collaborating with Tmall of Alibaba Group on a cross-border e-commerce platform, we also partner with e-commerce platforms including Yahoo, Shopee, and Qoo10, which have contributed approximately NT\$392,637 thousand in revenue in 2020.

To provide convenient shopping experiences to consumers and to enhance the awareness of our corporate image, the Company continues to optimize both software and hardware facilities in our stores. Through improving in-store style, professional consulting services and building membership services which provide customized healthcare management system, the Company has also strengthened customer loyalty. By effectively managing approximately 1 million active members and new members brought by the new stores, our revenues have continued to grow.

(II) Budget implementation status: The Company did not disclose 2020 financial estimates; therefore, disclosure of budget implementation is not necessary.

(III) Financial Revenue/Expense and Profitability Analysis

Unit: in NT\$1,000's

Item	2020	2019
Cash flow from operating activities	728,128	224,888
Cash flow from investing activities	(253,470)	(291,202)
Cash flow from financing activities	53,021	(259,224)
Return on assets (%)	4.10	4.45
Return on equity (%)	14.05	11.66
Ratio of net profit before tax to paid-in capital	45.63	39.58
Net profit margin	2.23	2.03
Earnings per share (NT\$)	3.73	2.77

Note: The financial information presented is consolidated information that has followed IFRS reporting standards.

- (IV) Research and development (R&D) status: The Company is in the chain pharmaceutical retail business and does not have a dedicated R&D unit. Nevertheless, our product marketing department is actively dedicated to product development to serve the diverse needs of our broad customer base.

II. Outline of 2021 Business Plan

2020 marked the final year of our five-year plan, and it was also the year for preparing for the next five-year plan. Having achieved our goal to open 200 physical stores, the Company will now focus on our long-prepared trial runs of OMO service & online personal health data pharmacy throughout all stores and prepare for our subsequent five-year plan.

- (I) Management policy and important production and marketing policies
- 1) We will continue to optimize the mode of successful development of stores, expand the business scope at home and abroad, and start the next five-year growth momentum.
 - 2) We will continue to build on strategic cooperation opportunities, introduce exclusive overseas agency products, and actively seek diversified products, such as drugs, health supplements and supplies from well-known manufacturers in Europe, America and Japan in addition to branded powdered milk to create differentiation in our channels.
 - 3) The Company provides consumers with free, professional online health care service through the pioneering Personal Cloud-based Health Management System. The Company plans to increase the use of the cloud-based health information platform, and for the platform to reach maturity within 5 years and to become the best virtual channel for health care services in Taiwan.
 - 4) Launch commercial activities on the cloud-based health information platform. Integrate physical and virtual customer service and sales system to overcome legal hurdles against drug sales online through integration of customer flow, information flow and logistics online and offline to create a direct, fast, and comprehensive bi-lateral health consultation channel for customers.
 - 5) Collaborate with professional medical material manufacturers to record the health data provided by consumers through programs and analyze professionally, provide professional consultation to members in the use of products, promote the development of health Internet, enhance the service experience of physical store members, and build an all-channel online merge offline (OMO) model.

(II) Expected Sales Volume and Basis

The Company is a channel of chain pharmacy. Due to large variety of products sold and in different quantity units, it is not possible to provide the expected sales quantity. According to "turnover of wholesale, retail and catering industry" issued by the Department of Statistics of the Ministry of Economic Affairs, the annual compound growth rate is 1.90% from NT\$158.5 billion in 2010 to NT\$199.0 billion in 2020. Therefore, the domestic retail market of drugs and cosmetics has a moderate and optimistic growth trend as a whole. The Company is actively opening up new stores and expanding its business scale and expects to maintain stable revenue growth.

III. Future Company development strategies

The Company will follow an active and sound growth strategy by recruiting professional talent on one hand, and actively develop new products and new markets on the other, enabling it to become the best in the industry.

Over the next five years, the Company will continue to innovate and provide customers with the most comprehensive health recommendations through integrating and analyzing quantitative data from customers' in-hospital treatments and at-home health readings. Additionally, the Company will integrate relevant industry operators to build a macro health platform and change past consumer behaviors at pharmacies. We aim to show the public that Great Tree is more than just a pharmacy.

IV. Impacts from external competitive environment, legal environment, and overall operating environment

The Company is a channel for the operation of pharmacy. Due to rich product items, it is faced with competition, including from pharmacy and drug stores. Due to price-cutting in the industry, the competition will be increasingly aggressive in the future. The Company will continue to provide professional and complete education and training to its employees, and further establish the professional brand value of "Great Tree Pharmacy". The Company will adhere to the motto of "professional and honest" and provide consumers with all-round services. In the survey of top 2,000 enterprises by CommonWealth Magazine in 2019, our overall rating was 217. Additionally, our industry and growth-rate ranking ranked the first in the category of pharmaceutical and health-care service retailers. We hope our core team of innovative senior management will develop service processes with high entry barriers, quickly emulate successful experience, expand our business scope, and further distinguish ourselves from the industry competitors.

The beginning of 2020 saw the emergence of COVID-19 throughout the world. In addition to handling severe epidemic prevention situation, it also has impacted new diversified industries and undertakings. Nevertheless, as epidemic prevention takes effect with the development of vaccines in 2021, the effects from the pandemic have also decreased somewhat. As a channel of pharmacy business, the Company provides necessary commodities and therefore have led relatively small effects from the pandemic. In the face of change in consumer patterns, the Company will actively integrate online and offline channel services to help consumers in maintaining good health and work hand-in-hand to survive this crisis. We hope to practice corporate social responsibility in daily operation while pursuing the objective of corporate growth.

Chairman:
Cheng Ming Lung

General Manager:
Cheng Ming Lung

Accounting Manager:
Wu Shu Yi

Attachment 2

Great Tree Pharmacy Co., Ltd.

Audit Committee's Audit Report

The Board of Directors has prepared and submitted the Company's 2020 Business Report, Financial Statements and the Proposal for Appropriation of Net Income, among which the Financial Statements have been audited by CPAs Lo Hsiao Chin and Cheng Ching Piao from EY Taiwan, by whom an Audit Report has been issued accordingly.

The aforementioned Business Report, Financial Statements and Proposal for Appropriation of Net Income have been examined and reviewed by the Audit Committee, and no irregularities were found. According to the Securities and Exchange Act and the Company Act, we hereby submit this report. Please review.

To

2021 Shareholders' Meeting

Liu Tian Dao, Convener of the Audit Committee

Date: March 18, 2021

Attachment 3

Independent Auditors' Report

To Great Tree Pharmacy Co., Ltd.

Audit Opinion

We have audited the accompanying Parent Company Only Balance Sheets of Great Tree Pharmacy Co., Ltd. (the "Company") as of December 31, 2020 and December 31, 2019, and the related Parent Company Only Statements of Comprehensive Income, Changes in Equity and Cash Flows for the years ended December 31, 2020 and December 31, 2019, as well as Notes to the Parent Company Only Financial Statements, including the Summary of Significant Accounting Policies (together "the Parent Company Only Financial Statements").

Based on the opinion of our CPA, the Parent Company Only Financial Statements in the preceding paragraph have been prepared according to the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," and may fairly present, in all material aspects, the individual financial status of Great Tree Pharmacy Co., Ltd. as of December 31, 2020 and December 31, 2019, as well as its individual financial performance and individual cash flow from January 1, 2020 to December 31, 2020 and from January 1, 2019 to December 31, 2019.

Basis of Audit Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2020 Parent Company Only Financial Statements. These matters were addressed in the context of our audit of the Parent Company Only Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

Great Tree Pharmacy Co., Ltd. recognized operating revenue of NT\$8,619,074 thousand in 2020. Since the Company's sources of revenue include different selling models such as retail transactions at pharmacies and revenue from management services and more, the judgment over performance obligation and the timing of its fulfillment over customer orders or contracts was needed, therefore leading to significant risk of revenue recognition. Hence, we have decided to include this as a key audit matter. Our audit procedures include (but are not limited to): understanding each selling model, evaluating the appropriateness of revenue recognition policy related to obligation fulfillment under each model, evaluating and testing the effectiveness of the relevant internal control to the timing of revenue recognition in the sales cycle, conducting detailed testing by sampling the sales receipts, and conducting analytical review procedure and carrying out cut-off tests and more. We have also considered the appropriateness of revenue disclosure identified in Note 6 of the Parent Company Only Financial Statements.

Inventory Valuation

As of December 31, 2020, the net inventory of Great Tree Pharmacy Co., Ltd. was NT\$1,225,045 thousand, accounting for 20% of the individual total asset. Great Tree Pharmacy Co., Ltd.'s main business involves trading of maternity and infant products as well as various drugs. Most of their products have shelf lives, leading evaluations of allowance for inventory valuation and obsolescence loss to require material judgment of the Company's management. Therefore, this was included as a key audit matter. Our audit procedures include (but are not limited to): evaluating the appropriateness of the policy of allowance for inventory valuation and obsolescence loss, evaluating the management method for near expiring goods and identification of expired inventory and testing the effectiveness of the relevant internal control, sampling the inventory aging report to test its accuracy and selecting significant inventory location for physical inventory observation and count, and inspecting current inventory and utilization status and more. We have also taken the appropriateness of inventory disclosure in Note 5 and Note 6 in the Notes to Parent Company Only Financial Statements into consideration.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the Parent Company Only Financial Statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of Parent Company Only Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Parent Company Only Financial Statements, management is responsible for assessing the ability to continue as a going concern of the Company, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the Parent Company Only Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Material misstatement may result from fraud or error. Misstatement could be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Parent Company Only Financial Statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the Parent Company Only Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. As fraudulence can involve conspiracy, forgery, intentional omissions, false statements or transgressions of internal control, the risk of failing to detect significant false contents resulting from fraudulence is higher than the risk of failing to identify those coming from errors.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of Great Tree Pharmacy Co., Ltd.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Parent Company Only Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Parent Company Only Financial Statements, including the accompanying Notes, and whether the Parent Company Only Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the individual entities in the Group to express an opinion on the Parent Company Only Financial Statements. We are responsible for the guidance, supervision, and implementation of the Group's audit and responsible for forming audit opinions on the Group.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2020 Parent Company Only Financial Statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Ernst & Young
Financial Report of TWSE Listed Company
as Authorized by the Competent Authority
Auditing and Attestation No. (2017) FSC No. 1060026003
(2014) FSC No. 1030025503

Certified Public Accountant (CPA)

Lo Hsiao Chin
Cheng Ching Piao

March 18, 2021

Great Tree Pharmacy Co., Ltd.

Parent Company Only Balance Sheets

As of December 31, 2020 and December 31, 2019

Unit: Amounts expressed in thousands of New Taiwan Dollars (NT\$1,000)

Asset			December 31, 2020		December 31, 2019	
Code	Accounting Item	Note	Amount	%	Amount	%
11xx	Current assets					
1100	Cash and cash equivalents	4 and 6.1	\$809,527	13	\$277,980	6
1136	Financial assets measured at amortized cost	4, 6.2 and 8	24,000	1	24,000	1
1150	Notes receivable, net	4 and 6.3	4,517	-	2,371	-
1170	Net accounts receivable	4 and 6.4	295,252	5	316,040	7
1180	Net accounts receivable - related parties	4, 6.4 and 7	271,779	5	305,586	7
1200	Other receivables		68,776	1	88,436	2
1210	Other receivables - related parties	7	42,587	1	11,351	-
1300	Inventory	4 and 6.5	1,225,045	20	886,046	19
1410	Prepayments		22,526	-	18,148	-
1470	Other current assets		2,345	-	3,470	-
	Total current assets		2,766,354	46	1,933,428	42
15xx	Non-current assets					
1535	Financial assets measured at amortized cost	4, 6.2 and 8	3,000	-	3,000	-
1550	Investments accounted for using equity method	4 and 6.6	116,438	2	112,869	3
1600	Property, plant and equipment	4 and 6.7	619,583	10	515,196	11
1755	Right-of-use assets	4 and 6.18	2,434,371	40	1,956,027	43
1780	Intangible assets	4 and 6.8	18,018	-	20,675	-
1840	Deferred tax assets	4 and 6.22	7,742	-	3,427	-
1900	Other non-current assets	4 and 6.9	74,812	2	60,678	1
	Total non-current assets		3,273,964	54	2,671,872	58
1xxx	Total assets		\$6,040,318	100	\$4,605,300	100

(Please refer to the accompanying Notes to Parent Company Only Financial Statements)

Chairman: Ming-Lung Cheng

General Manager: Ming-Lung Cheng

Accounting Manager: Shu-Yi Wu

Great Tree Pharmacy Co., Ltd.

Parent Company Only Balance Sheet (continued)

As of December 31, 2020 and December 31, 2019

Unit: Amounts expressed in thousands of New Taiwan Dollars (NT\$1,000)

Code	Liabilities and Equity Accounting Item	Note	December 31, 2020		December 31, 2019	
			Amount	%	Amount	%
21xx	Current liabilities					
2100	Short-term loans	6.10	\$370,000	6	\$-	-
2130	Contract liabilities	4 and 6.16	8,104	-	7,053	-
2150	Notes payable		328,701	5	271,592	6
2160	Notes payable - related parties	7	140,825	2	54,440	1
2170	Accounts payable		785,369	13	657,665	14
2180	Accounts payable - related parties	7	48,415	1	32,714	1
2200	Other payables	6.11 and 6.13	218,152	4	129,387	3
2220	Other payables - related parties	7	242	-	242	-
2230	Tax liabilities for this period	4 and 6.22	26,019	-	12,938	-
2280	Lease liabilities	4 and 6.18	280,837	5	202,699	5
2300	Other current liabilities		22,473	-	12,891	-
2321	Corporate bonds that mature or execute the right to sell back within one year or one operating cycle	4 and 6.12	40,583	1	183,701	4
	Total current liabilities		2,269,720	37	1,565,322	34
25xx	Non-current liabilities					
2580	Lease liabilities	4 and 6.18	2,233,309	37	1,809,686	39
2640	Net defined benefit liabilities	4 and 6.13	3,425	-	4,795	-
2645	Guarantee deposits	7	34,602	1	24,947	1
	Total non-current liabilities		2,271,336	38	1,839,428	40
2xxx	Total liabilities		4,541,056	75	3,404,750	74
31xx	Equity attributable to shareholders of parent company					
3100	Share capital	6.14				
3110	Ordinary share capital		530,659	9	425,820	9
3140	Prepaid share capital		2,787	-	6,451	-
3200	Capital surplus	6.14	658,506	11	534,710	12
3300	Retained earnings	6.14				
3310	Legal capital reserve		73,419	1	59,821	1
3350	Unappropriated net income		233,891	4	173,748	4
	Total equity		1,499,262	25	1,200,550	26
	Total liabilities and equity		\$6,040,318	100	\$4,605,300	100

(Please refer to the accompanying Notes to Parent Company Only Financial Statements)

Chairman: Ming-Lung Cheng

General Manager: Ming-Lung Cheng

Accounting Manager: Shu-Yi Wu

Great Tree Pharmacy Co., Ltd.

Parent Company Only Statement of Comprehensive Income

For the year ended December 31, 2020 and December 31, 2019

Unit: (Amounts expressed in thousands of New Taiwan Dollars, except for earnings per share)

Code	Item	Note	2020		2019	
			Amount	%	Amount	%
4000	Operating revenue	4, 6.16 and 7	\$8,619,074	100	\$6,701,943	100
5000	Operating costs	7	(6,505,952)	(76)	(5,187,063)	(77)
5900	Gross profit		2,113,122	24	1,514,880	23
6000	Operating expenses					
6100	Selling and marketing expenses		(1,646,230)	(19)	(1,188,585)	(18)
6200	Administration expenses		(276,053)	(3)	(222,191)	(3)
6450	Expected credit impairment loss	6.17	-	-	(359)	-
	Total operating expenses		(1,922,283)	(22)	(1,411,135)	(21)
6900	Operating profit		190,839	2	103,745	2
7000	Non-operating income and expenses					
7100	Interest income	6.20	566	-	969	-
7010	Other income	6.20 and 7	29,476	-	34,143	-
7020	Other gains and losses	6.20 and 7	(3,295)	-	3,051	-
7050	Financing costs	6.20	(32,035)	-	(25,887)	-
7070	Shares of profit or loss of subsidiaries recognized under equity method		43,394	1	44,378	-
	Total non-operating income and expenses		38,106	1	56,654	-
7900	Profit before tax		228,945	3	160,399	2
7950	Income tax expenses	4 and 6.22	(34,634)	(1)	(24,414)	-
8200	Net income		194,311	2	135,985	2
8300	Other comprehensive income (loss), net	6.21				
8310	Items that will not be reclassified to profit or loss:					
8311	Remeasurement of defined benefit plans		1,186	-	(1,319)	-
	Comprehensive income (loss) (net value after tax) for this period		1,186	-	(1,319)	-
8500	Total comprehensive income (loss)		\$195,497	2	\$134,666	2
	Earnings per share, EPS (NT\$)					
9750	Basic EPS	6.23	\$3.73		\$2.77	
9850	Diluted EPS	6.23	\$3.60		\$2.52	

(Please refer to the accompanying Notes to Parent Company Only Financial Statements)

Chairman: Ming-Lung Cheng

General Manager: Ming-Lung Cheng

Accounting Manager: Shu-Yi Wu

Great Tree Pharmacy Co., Ltd.

Parent Company Only Statement of Changes in Equity
For the year ended December 31, 2020 and December 31, 2019

Unit: Amounts expressed in thousands of New Taiwan Dollars (NT\$1,000)

Code	Item	Share capital 3100	Prepaid share capital 3140	Capital surplus 3200	Retained earnings		Total equity 3XXX
					Legal capital reserve 3310	Unappropriated net income 3350	
A1	Balance as of January 1, 2019	\$365,516	\$-	\$435,799	\$49,220	\$201,201	\$1,051,736
A3	Effects of retrospective application and retrospective restatement					(56,484)	(56,484)
A5	Balance as of January 1, 2019 after restatement	365,516	-	435,799	49,220	144,717	995,252
	Appropriations of net income in 2018						
B1	Legal capital reserve				10,601	(10,601)	-
B5	Cash dividends					(47,517)	(47,517)
B9	Stock dividends	47,517				(47,517)	-
C5	Equity component item recognized for issuance of convertible bonds - arising from recognition of equity						-
D1	Net profit in 2019					135,985	135,985
D3	Other comprehensive income (loss) in 2019					(1,319)	(1,319)
D5	Total comprehensive income (loss)	-	-	-	-	134,666	134,666
I1	Convertible corporate bond conversion	9,227	6,451	92,191			107,869
N1	Share-based payment transactions	3,560		6,720			10,280
Z1	Balance as of December 31, 2019	425,820	6,451	534,710	59,821	173,748	1,200,550
	Appropriation of earnings in 2019						
B1	Legal capital reserve				13,598	(13,598)	-
B5	Cash dividends					(43,484)	(43,484)
B9	Stock dividends	78,272				(78,272)	-
D1	2020 net income					194,311	194,311
D3	Other comprehensive income (loss) in 2020					1,186	1,186
D5	Total comprehensive income (loss)	-	-	-	-	195,497	195,497
I1	Convertible corporate bond conversion	26,567	(3,664)	122,487			145,390
N1	Share-based payment transactions			1,309			1,309
Z1	Balance as of December 31, 2020	\$530,659	\$2,787	\$658,506	\$73,419	\$233,891	\$1,499,262

(Please refer to the accompanying Notes to Parent Company Only Financial Statements)

Chairman: Ming-Lung Cheng

General Manager: Ming-Lung Cheng

Accounting Manager: Shu-Yi Wu

Great Tree Pharmacy Co., Ltd.

Parent Company Only Statements of Cash Flows

For the year ended December 31, 2020 and December 31, 2019

Unit: Amounts expressed in thousands of New Taiwan Dollars (NT\$1,000)

Code	Item	2020	2019	Code	Item	2020	2019
AAAA	Cash flow from operating activities:			BBBB	Cash flow from investing activities:		
A10000	Net profit before tax from this period	\$228,945	\$160,399	B02700	Acquisition of property, plant, and equipment	(242,389)	(211,930)
A20000	Adjustment items:			B02800	Disposal of property, plant, and equipment	5,835	-
A20010	Gain or loss items that do not affect cash flows:			B03700	Increase (decrease) in refundable deposits	(14,415)	(12,169)
A20100	Depreciation expense (including right-of-use asset)	401,860	301,186	B04500	Acquisition of intangible assets	(4,520)	(26,686)
A20200	Amortization expenses	7,177	9,072	BBBB	Net cash provided by (used in) investing activities	(255,489)	(250,785)
A20300	Expected credit impairment loss	-	359				
A20400	Valuation loss (gain) on financial liabilities measured at fair value through profit or loss	-	(3,639)	CCCC	Cash flow from financing activities:		
A20900	Interest expenses	32,035	25,887	C00100	Increase of short-term loans	370,000	-
A21200	Interest income	(566)	(969)	C03000	Increase in guarantee deposits received	9,655	15,218
A21900	Cost of share-based payments	1,309	66	C04020	Repayment of principal on loan	(275,064)	(222,246)
A22300	Shares of subsidiaries, affiliates, and joint ventures accounted for using the equity method	(43,394)	(44,378)	C04500	Distribution of cash dividends	(43,484)	(47,517)
A22500	Loss on disposal of property, plant, and equipment	1,294	-	C04800	Employees exercising share option	-	10,214
A29900	Other item - gain on lease modification	-	(1,129)	CCCC	Net cash inflow (outflow) from financing activities	61,107	(244,331)
A30000	Changes in assets/liabilities related to operating activities:						
A31130	Increase (decrease) in notes receivable	(2,146)	(808)	EEEE	Net increase (decrease) in cash and cash equivalents for the period	531,547	(273,266)
A31150	Increase (decrease) in accounts receivable	20,788	329	E00100	Beginning balance of cash and cash equivalents	277,980	551,246
A31160	Decrease (increase) in accounts receivable - related parties	33,807	(115,601)	E00200	Ending balance of cash and cash equivalents	\$809,527	\$277,980
A31180	Increase (decrease) in other receivables	19,660	(19,656)				
A31190	Increase (decrease) in other receivables - related parties	(31,236)	(1,856)				
A31200	Increase (decrease) in inventory	(338,999)	(330,989)				
A31230	Increase (decrease) in prepayments	(4,378)	(5,652)				
A31240	Increase (decrease) in other current assets	1,125	(1,088)				
A32125	Increase (decrease) in contract liabilities	1,051	2,655				
A32130	Increase (decrease) in notes payables	57,109	(74,803)				
A32140	Increase (decrease) in notes payables - related parties	86,385	42,821				
A32150	Increase (decrease) in accounts payables	127,704	256,974				
A32160	Increase (decrease) in accounts payable - related parties	15,701	13,360				
A32180	Increase (decrease) in other payables	89,636	18,445				
A32190	Increase (decrease) in other payables - related parties	-	242				
A32230	Increase (decrease) in other current liabilities	9,582	3,874				
A32240	Increase (decrease) in net defined benefit liabilities	(184)	(180)				
A33000	Cash inflow (outflow) from operating activities	714,265	234,921				
A33100	Interest received	566	969				
A33200	Dividends received	39,825	15,812				
A33300	Interest paid	(2,859)	-				
A33500	Income tax paid	(25,868)	(29,852)				
AAAA	Net cash inflow (outflow) from operating activities	725,929	221,850				

(Please refer to the accompanying Notes to Parent Company Only Financial Statements)

Chairman: Ming-Lung Cheng

General Manager: Ming-Lung Cheng

Accounting Manager: Shu-Yi Wu

Company Statement

The entities that are required to be included in the Consolidated Financial Statements of Great Tree Pharmacy Co., Ltd. for the year ended December 31, 2020 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10 by the Financial Supervisory Commission, "Consolidated Financial Statements." In addition, the information required to be disclosed in the Combined Financial Statements is included in the Consolidated Financial Statements. Consequently, Great Tree Pharmacy Co., Ltd. and Subsidiaries do not prepare a separate set of Consolidated Financial Statements.

We hereby declare and affirm to the statement above.

Company name: Great Tree Pharmacy Co., Ltd.

Person in charge: Cheng Ming Lung

March 18, 2021

Independent Auditors' Report

To Great Tree Pharmacy Co., Ltd.

Audit Opinion

We have audited the accompanying Consolidated Balance Sheets of Great Tree Pharmacy Co., Ltd. (the “Company”) and its subsidiaries as of December 31, 2020 and December 31, 2019, and the related Consolidated Statements of Comprehensive Income, Changes in Equity and Cash Flows for the years ended December 31, 2020 and December 31, 2019, as well as Notes to the Consolidated Financial Statements, including the Summary of Significant Accounting Policies (together “the Consolidated Financial Statements”).

In our opinion, the aforementioned Consolidated Financial Statements present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of December 31, 2020 and December 31, 2019, and their consolidated financial performance and cash flows for the years ended December 31, 2020 and December 31, 2019, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee, or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Basis of Audit Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2020 Consolidated Financial Statements. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

Great Tree Pharmacy Co., Ltd. and its subsidiaries recognized operating revenue of NT\$8,641,394 thousand in 2020. Since the Group's sources of revenue include different selling models such as retail transactions at pharmacies and revenue from management services and more, the judgment over performance obligation and the timing of its fulfillment over customer orders or contracts was needed, therefore leading to significant risk of revenue recognition. Hence, we have decided to include this as a key audit matter. Our audit procedures include (but are not limited to):

understanding each selling model, evaluating the appropriateness of revenue recognition policy related to obligation fulfillment under each model, evaluating and testing the effectiveness of the relevant internal control to the timing of revenue recognition in the sales cycle, conducting detailed testing by sampling the sales receipts, and conducting analytical review procedure and carrying out cut-off tests and more. Our accountants have also considered the appropriateness of revenue disclosure identified in Note 6 of the Consolidated Financial Statements.

Inventory Valuation

As of December 31, 2020, the net inventory of Great Tree Pharmacy Co., Ltd. and its subsidiaries was NT\$1,462,245 thousand, accounting for 24% of the consolidated total asset. Main businesses of Great Tree Pharmacy Co., Ltd. and its subsidiaries include trading of maternity and infant products as well as various drugs. Most of their products have shelf lives, leading evaluations of allowance for inventory valuation and obsolescence loss to require material judgment from the Group's management. Therefore, this was included as a key audit matter. Our audit procedures include (but are not limited to): evaluating the appropriateness of the policy of allowance for inventory valuation and obsolescence loss, evaluating the management method for near expiring goods and identification of expired inventory and testing the effectiveness of the relevant internal control, sampling the inventory aging report to test its accuracy and selecting significant inventory location for physical inventory observation and count, and inspecting current inventory and utilization status and more. We have also taken the appropriateness of inventory disclosure in Note 5 and Note 6 in the Notes to Consolidated Financial Statements into consideration.

Responsibility of the management and the governing body for the Consolidated Financial Statements

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

In preparing the Consolidated Financial Statements, management is responsible for assessing the ability to continue as a going concern of the Company and its subsidiaries, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

The governing bodies of Great Tree Pharmacy Co., Ltd. and its subsidiaries (including the Audit Committee) have the responsibility to oversee the financial reporting process.

Responsibilities of the CPA in Auditing the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally

accepted in the Republic of China will always detect a material misstatement when it exists. Material misstatement may result from fraud or error. A misstatement can be considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2020 Consolidated Financial Statements and are therefore the key audit matters. We describe these matters in our auditor' s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Others

We have also audited and expressed an unqualified opinion including and Other Matter Paragraph on the Parent Company Only Financial Statements of the Company as of and for the years ended December 31, 2020 and December 31, 2019.

Ernst & Young

Financial Report of TWSE Listed Company

as Authorized by the Competent Authority

Auditing and Attestation No. (2017) FSC No. 1060026003

(2014) FSC No. 1030025503

Certified Public Accountant (CPA)

Lo Hsiao Chin

Cheng Ching Piao

March 18, 2021

Great Tree Pharmacy Co., Ltd. and Subsidiaries

Consolidated Balance Sheets

As of December 31, 2020 and 2019

Unit: Amounts expressed in thousands of New Taiwan Dollars (NT\$1,000)

Asset			December 31, 2020		December 31, 2019	
Code	Accounting item	Note	Amount	%	Amount	%
11xx	Current assets					
1100	Cash and cash equivalents	4 and 6.1	\$835,802	14	\$308,123	7
1136	Financial assets measured at amortized cost	4, 6.2 and 8	24,000	1	24,000	-
1150	Notes receivable, net	4 and 6.3	4,517	-	3,246	-
1170	Net accounts receivable	4 and 6.4	311,114	5	340,986	7
1200	Other receivables		71,025	1	101,884	2
1220	Income tax asset for the period		-	-	37	-
1300	Inventory	4 and 6.5	1,462,245	24	1,160,265	25
1410	Prepayments		34,258	1	40,115	1
1470	Other current assets		3,457	-	4,551	-
	Total current assets		2,746,418	46	1,983,207	42
15xx	Non-current assets					
1535	Financial assets measured at amortized cost	4, 6.2 and 8	3,000	-	3,000	-
1600	Property, plant and equipment	4 and 6.6	669,788	11	569,754	12
1755	Right-of-use assets	4 and 6.17	2,487,538	41	2,033,808	44
1780	Intangible assets	4 and 6.7	18,018	-	20,675	-
1840	Deferred tax assets	4 and 6.21	7,742	-	3,427	-
1900	Other non-current assets	6.8	76,918	2	64,209	2
	Total non-current assets		3,263,004	54	2,694,873	58
1xxx	Total assets		\$6,009,422	100	\$4,678,080	100

(Please see the accompanying Notes to the Consolidated Financial Statements)

Chairman: Ming-Lung Cheng

General Manager: Ming-Lung Cheng

Accounting Manager: Shu-Yi Wu

Great Tree Pharmacy Co., Ltd. and Subsidiaries

Consolidated Balance Sheets (continued)

As of December 31, 2020 and 2019

Unit: Amounts expressed in thousands of New Taiwan Dollars (NT\$1,000)

Code	Liabilities and Equity Accounting item	Note	December 31, 2020		December 31, 2019	
			Amount	%	Amount	%
21xx	Current liabilities					
2100	Short-term loans	6.9	\$370,000	6	\$-	-
2130	Contract liabilities	4 and 6.15	8,104	-	7,053	-
2150	Notes payable		350,323	6	280,594	6
2170	Accounts payable		819,673	13	689,831	15
2200	Other payables	4, 6.10 and 6.12	228,757	4	132,664	3
2230	Tax liabilities for this period	4 and 6.21	35,791	1	23,395	-
2280	Lease liabilities	4 and 6.17	287,118	5	216,973	5
2300	Other current liabilities		23,510	-	13,926	-
2321	Corporate bonds that mature or execute the right to sell back within one year or one operating cycle	4 and 6.11	40,583	1	183,701	4
	Total current liabilities		2,163,859	36	1,548,137	33
25xx	Non-current liabilities					
2580	Lease liabilities	4 and 6.17	2,282,404	38	1,876,656	40
2640	Net defined benefit liabilities	4 and 6.12	3,425	-	4,795	-
2645	Guarantee deposits		40,189	1	26,015	1
	Total non-current liabilities		2,326,018	39	1,907,466	41
2xxx	Total liabilities		4,489,877	75	3,455,603	74
31xx	Equity attributable to shareholders of parent company					
3100	Share capital	6.13				
3110	Ordinary share capital		530,659	9	425,820	9
3140	Prepaid share capital		2,787	-	6,451	-
3200	Capital surplus	6.13	658,506	11	534,710	12
3300	Retained earnings	6.13				
3310	Legal capital reserve		73,419	1	59,821	1
3350	Unappropriated net income		233,891	4	173,748	4
36xx	Non-controlling interests		20,283	-	21,927	-
3xxx	Total equity		1,519,545	25	1,222,477	26
	Total liabilities and equity		\$6,009,422	100	\$4,678,080	100

(Please see the accompanying Notes to the Consolidated Financial Statements)

Chairman: Ming-Lung Cheng

General Manager: Ming-Lung Cheng

Accounting Manager: Shu-Yi Wu

Great Tree Pharmacy Co., Ltd. and Subsidiaries

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2020 and 2019

Unit: (Amounts expressed in thousands of New Taiwan Dollars, except for earnings per share)

Code	Item	Note	2020		2019	
			Amount	%	Amount	%
4000	Operating revenue	4 and 6.15	\$8,641,394	100	\$6,601,612	100
5000	Operating costs		(6,456,664)	(75)	(5,005,992)	(76)
5900	Gross profit		2,184,730	25	1,595,620	24
6000	Operating expenses					
6100	Selling and marketing expenses		(1,667,927)	(19)	(1,222,010)	(19)
6200	Administration expenses		(291,489)	(3)	(230,880)	(3)
6450	Expected credit impairment loss	4 and 6.16	-	-	(359)	-
	Total operating expenses		(1,959,416)	(22)	(1,453,249)	(22)
6900	Operating profit		225,314	3	142,371	2
7000	Non-operating income and expenses					
7100	Interest income	6.19	578	-	1,006	-
7010	Other income	6.19	50,116	-	51,609	1
7020	Other gains and losses	6.19	272	-	3,051	-
7050	Financing costs	6.19	(32,870)	-	(26,942)	-
	Total non-operating income and expenses		18,096	-	28,724	1
7900	Profit before tax		243,410	3	171,095	3
7950	Income tax expenses	4 and 6.21	(50,743)	(1)	(37,100)	(1)
8200	Net income		192,667	2	133,995	2
8300	Other comprehensive income (loss)	4 and 6.20				
8310	Items that will not be reclassified to profit or loss:					
8311	Remeasurement of defined benefit plans		1,186	-	(1,319)	-
	Comprehensive income (loss) (net value after tax) for this period		1,186	-	(1,319)	-
8500	Total comprehensive income (loss)		\$193,853	2	\$132,676	2
8600	Earnings attributable to:					
8610	Stockholders of the parent		\$194,311	2	\$135,985	2
8620	Non-controlling interests		(1,644)	-	(1,990)	-
			\$192,667	2	\$133,995	2
8700	Total Comprehensive Income Attributable to:					
8710	Stockholders of the parent		\$195,497	2	\$134,666	2
8720	Non-controlling interests		(1,644)	-	(1,990)	-
			\$193,853	2	\$132,676	2
	Earnings per share, EPS (NT\$)					
9750	Basic EPS	4 and 6.22	\$3.73		\$2.77	
9850	Diluted EPS	4 and 6.22	\$3.60		\$2.52	

(Please see the accompanying Notes to the Consolidated Financial Statements)

Chairman: Ming-Lung Cheng

General Manager: Ming-Lung Cheng

Accounting Manager: Shu-Yi Wu

Great Tree Pharmacy Co., Ltd. and Subsidiaries

**Consolidated Statements of Changes in Equity
For the years ended December 31, 2020 and 2019**

Unit: Amounts expressed in thousands of New Taiwan Dollars (NT\$1,000)

Code	Item	Equity attributable to shareholders of parent company							Non-controlling interests	Total equity
		Share capital	Prepaid share capital	Capital surplus	Retained earnings		Total			
					Legal capital reserve	Unappropriated net income				
		3100	3140	3200	3310	3350	31XX	36XX	3XXX	
A1	Balance as of January 1, 2019	\$365,516	\$-	\$435,799	\$49,220	\$201,201	\$1,051,736	\$23,917	\$1,075,653	
A3	Effects of retrospective application and retrospective restatement					(56,484)	(56,484)		(56,484)	
A5	Balance as of January 1, 2019 after restatement	365,516	-	435,799	49,220	144,717	995,252	23,917	1,019,169	
	Appropriations of net income in 2018									
B1	Legal capital reserve				10,601	(10,601)	-		-	
B5	Cash dividends					(47,517)	(47,517)		(47,517)	
B9	Stock dividends	47,517				(47,517)	-		-	
D1	Net profit in 2019					135,985	135,985	(1,990)	133,995	
D3	Other comprehensive income (loss) in 2019					(1,319)	(1,319)	-	(1,319)	
D5	Total comprehensive income (loss)	-	-	-	-	134,666	134,666	(1,990)	132,676	
I1	Convertible corporate bond conversion	9,227	6,451	92,191			107,869		107,869	
N1	Share-based payment transactions	3,560		6,720			10,280		10,280	
Z1	Balance as of December 31, 2019	425,820	6,451	534,710	59,821	173,748	1,200,550	21,927	1,222,477	
	Appropriation of earnings in 2019									
B1	Legal capital reserve				13,598	(13,598)	-		-	
B5	Cash dividends					(43,484)	(43,484)		(43,484)	
B9	Stock dividends	78,272				(78,272)	-		-	
D1	2020 Net income					194,311	194,311	(1,644)	192,667	
D3	Other comprehensive income (loss) in 2020					1,186	1,186	-	1,186	
D5	Total comprehensive income (loss)	-	-	-	-	195,497	195,497	(1,644)	193,853	
I1	Convertible corporate bond conversion	26,567	(3,664)	122,487			145,390		145,390	
N1	Share-based payment transactions			1,309			1,309		1,309	
Z1	Balance as of December 31, 2020	\$530,659	\$2,787	\$658,506	\$73,419	\$233,891	\$1,499,262	\$20,283	\$1,519,545	

(Please see the accompanying Notes to the Consolidated Financial Statements)

Chairman: Ming-Lung Cheng

General Manager: Ming-Lung Cheng

Accounting Manager: Shu-Yi Wu

Great Tree Pharmacy Co., Ltd. and Subsidiaries

Consolidated Statements of Cash Flows

For the year ended December 31, 2020 and December 31, 2019

Unit: Amounts expressed in thousands of New Taiwan Dollars (NT\$1,000)

		2020	2019			2020	2019
Code	Item	Amount	Amount	Code	Item	Amount	Amount
AAAA	Cash flow from operating activities:			BBBB	Cash flow from investing activities:		
A10000	Net profit before tax from this period	\$243,410	\$171,095	B02700	Acquisition of property, plant, and equipment	(246,652)	(251,706)
A20000	Adjustment items:			B02800	Disposal of property, plant, and equipment	10,692	-
A20010	Adjustments:			B03700	Increase (decrease) in refundable deposits	(12,990)	(12,810)
A20100	Depreciation expense (including right-of-use asset)	419,805	320,570	B04500	Acquisition of intangible assets	(4,520)	(26,686)
A20200	Amortization expenses	7,177	9,072	BBBB	Net cash provided by (used in) investing activities	(253,470)	(291,202)
A20300	Expected credit impairment loss	-	359				
A20400	Valuation loss (gain) on financial liabilities measured at fair value through profit or loss	-	(3,639)	CCCC	Cash flow from financing activities:		
A20900	Interest expenses	32,870	26,942	C00100	Increase(decrease) of short-term loans	370,000	-
A21200	Interest income	(578)	(1,006)	C03000	Increase (decrease) in guarantee deposits received	14,174	16,047
A21900	Cost of share-based payments	1,309	66	C04020	Repayment of principal on loan	(287,669)	(237,968)
A22500	Loss on disposal of property, plant, and equipment	(899)	-	C04500	Distribution of cash dividends	(43,484)	(47,517)
A29900	Other item - gain on lease modification	(1,477)	(1,129)	C04800	Employees exercising share option	-	10,214
A30000	Changes in assets/liabilities related to operating activities:			CCCC	Net cash inflow (outflow) from financing activities	53,021	(259,224)
A31130	Increases (decreases) in notes receivable	(1,271)	(1,174)				
A31150	Increases (decreases) in accounts receivable	29,872	6,549	EEEE	Net increase (decrease) in cash and cash equivalents for the period	527,679	(325,538)
A31180	Increases (decreases) in other receivables	30,859	(21,720)	E00100	Beginning balance of cash and cash equivalents	308,123	633,661
A31200	Increase (decrease) in inventory	(301,980)	(443,610)	E00200	Ending balance of cash and cash equivalents	\$835,802	\$308,123
A31230	Increases (decreases) in prepayments	5,857	(11,342)				
A31240	Increases (decreases) in other current assets	1,094	(1,720)				
A32125	Increases (decreases) in contract liabilities	1,051	2,655				
A32130	Increases (decreases) in notes payable	69,729	(87,910)				
A32150	Increases (decreases) in accounts payable	129,842	269,349				
A32180	Increases (decreases) in other payables	96,964	18,176				
A32230	Increases (decreases) in other current liabilities	9,584	6,634				
A32240	Increases (decreases) in defined benefit liabilities	(184)	(180)				
A33000	Cash inflow (outflow) from operating activities	773,034	258,037				
A33100	Interest received	578	1,006				
A33300	Interest paid	(2,859)	-				
A33500	Income tax paid	(42,625)	(34,155)				
AAAA	Net cash inflow (outflow) from operating activities	728,128	224,888				

(Please see the accompanying Notes to the Consolidated Financial Statements)

Chairman: Ming-Lung Cheng

General Manager: Ming-Lung Cheng

Accounting Manager: Shu-Yi Wu

Attachment 4

Great Tree Pharmacy Co., Ltd.

Table of Comparisons Before and After Amendments of "Articles of Incorporation"

Articles after amendments	Articles before amendments	Explanation of amendments
<p>Article 2: The scope of business of the Company shall be as follow: 1.F108021 Wholesale of Drugs and Medicines. 2.F208021 Retail Sale of Drugs and Medicines. 3.F108031 Wholesale of Medical Equipment. 4.F208031 Retail Sale of Medical Equipment. 5.F208050 Retail Sale of the Second Type Patent Medicine. 6.F102170 Wholesale of Food and Grocery. 7.F203010 Retail Sale of Food Products, Beverages and Groceries. 8.F104110 Wholesale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing Accessories and Other Textile Products. 9.F204110 Retail Sale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing Accessories and Other Textile Products. 10.F106020 Wholesale of Articles for Daily Use. 11.F206020 Retail Sale of Articles for Daily Use. 12.F107030 Wholesale of Cleaning Preparations. 13.F207030 Retail Sale of Cleaning Preparations. 14.F108040 Wholesale of Cosmetics. 15.F208040 Retail Sale of Cosmetics. 16.F109070 Wholesale of Stationery Articles, Musical Instruments and Educational</p>	<p>Article 2: The scope of business of the Company shall be as follow: 1.F108021 Wholesale of Drugs and Medicines. 2.F208021 Retail Sale of Drugs and Medicines. 3.F108031 Wholesale of Medical Equipment. 4.F208031 Retail Sale of Medical Equipment. 5.F208050 Retail Sale of the Second Type Patent Medicine. 6.F102170 Wholesale of Food and Grocery. 7.F203010 Retail Sale of Food Products, Beverages and Groceries. 8.F104110 Wholesale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing Accessories and Other Textile Products. 9.F204110 Retail Sale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing Accessories and Other Textile Products. 10.F106020 Wholesale of Articles for Daily Use. 11.F206020 Retail Sale of Articles for Daily Use. 12.F107030 Wholesale of Cleaning Preparations. 13.F207030 Retail Sale of Cleaning Preparations. 14.F108040 Wholesale of Cosmetics. 15.F208040 Retail Sale of Cosmetics. 16.F109070 Wholesale of Stationery Articles, Musical Instruments and Educational</p>	<p>Treated in line with legal regulations and the Company's actual needs.</p>

Articles after amendments	Articles before amendments	Explanation of amendments
<p>Entertainment Articles. 17.F209060 Retail Sale of Stationery Articles, Musical Instruments and Educational Entertainment Articles. 18.F601010 Intellectual Property. 19.II03060 Management Consulting Services. 20. <u>A401060 Other Animal Services.</u> 21. <u>F103010 Wholesale of Animal Feeds.</u> 22.F202010 Retail Sale of Feeds. 23.F107070 Wholesale of <u>Veterinary Drugs.</u> 24.F207070 Retail Sale of <u>Veterinary Drugs.</u> 25.F101120 Wholesale of <u>Ornamental Fishes.</u> 26.F201090 Retail Sale of <u>Ornamental Fishes.</u> 27.F206050 Retail Sale of Pet Food and Supplies. 28.F201980 Retail Sale of Other <u>Animal.</u> 29.JZ99180 Pet Grooming. 30.F106060 Wholesale of Pet Food and Supplies. 31.F107080 Wholesale of <u>Environmental Agents.</u> 32.F207080 Retail Sale of <u>Environmental Agents.</u> 33.F106010 Wholesale of <u>Hardware.</u> 34.F206010 Retail Sale of <u>Ironware.</u> 35.F301020 Supermarkets. 36.F399010 Convenience Stores. 37.F399040 Retail Sale No <u>Storefront.</u> 38.F399990 Retail sale of Other <u>Integrated.</u> 39.F116010 Wholesale of Camera <u>Equipment.</u> 40.F216010 Retail Sale of Camera <u>Equipment.</u> 41.F401010 International Trade. 42.I401010 General Advertising <u>Services.</u></p>	<p>Entertainment Articles. 17.F209060 Retail Sale of Stationery Articles, Musical Instruments and Educational Entertainment Articles. 18.F601010 Intellectual Property. 19.II03060 Management Consulting Services. 20. <u>ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.</u></p>	

Articles after amendments	Articles before amendments	Explanation of amendments
<p><u>43.F102040 Wholesale of Nonalcoholic Beverages.</u></p> <p><u>44.F113020 Wholesale of Household Appliance.</u></p> <p><u>45.F213010 Retail Sale of Electrical Appliances.</u></p> <p><u>46.F105050 Wholesale of Furniture, Bedding Kitchen Utensils and Fixtures.</u></p> <p><u>47.F205040 Retail Sale of Furniture, Bedding Kitchen Utensils and Fixtures.</u></p> <p><u>48.I301020 Data Processing Services.</u></p> <p><u>49.I301030 Electronic Information Supply Services.</u></p> <p><u>50.I301040 The Third Party Payment.</u></p> <p><u>51.I301050 Reality Technology Services.</u></p> <p><u>52.F108011 Wholesale of Chinese Medicines.</u></p> <p><u>53.F208011 Retail Sale of Traditional Chinese Medicine.</u></p> <p><u>54.G202010 Parking Area Operators.</u></p> <p><u>55.G801010 Warehousing and Storage.</u></p> <p><u>56.H703100 Real Estate Rental and Leasing.</u></p> <p><u>57. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.</u></p>		
<p>Article 7: The total capital amount of the Company shall be <u>one-point-five billion</u> New Taiwan Dollars, divided into <u>one hundred and fifty million</u> shares, at a par value of ten New Taiwan Dollars (NT\$10) per share, and may be issued separately by the Board of Directors. An amount of <u>two hundred million New Taiwan Dollar (NT\$200,000,000)</u> out of the aforesaid capital is reserved as subscription warrants for</p>	<p>Article 7: The total capital amount of the Company shall be <u>six hundred million</u> New Taiwan Dollars (NT\$600,000,000), divided into <u>sixty million</u> shares, at a par value of ten New Taiwan Dollars (NT\$10) per share, and may be issued separately by the Board of Directors. An amount of <u>seventy-five million New Taiwan Dollar (NT\$75,000,000)</u> out of the aforesaid capital is reserved as</p>	<p>Treated in line with legal regulations and the Company's actual needs.</p>

Articles after amendments	Articles before amendments	Explanation of amendments
<p>employees, divided into seventy million and <u>twenty million shares (20,000,000)</u> at a par value of ten New Taiwan Dollars (NT\$10) per share and may be issued separately by the Board of Directors depending on actual needs.</p>	<p>subscription warrants for employees, divided into seventy million and <u>five-hundred thousand shares (7,500,000)</u> at a par value of ten New Taiwan Dollars (NT\$10) per share and may be issued separately by the Board of Directors depending on actual needs.</p>	
<p>Article 22: If the Company makes profits for the current year, it shall set aside between 3% to 10% as employee compensation, and no more than <u>5%</u> as remunerations of the Directors. However, if the Company still records a cumulative loss, its profit shall first be used to make up the loss. The recipients of shares or cash for employee's compensation from preceding paragraph may include employees of subsidiaries that meet a certain criteria for control. The Board of Directors or its authorized person will be delegated with the power to decide on the conditions and methods of such share distributions. Before the establishment of the Company's Audit Committee, remuneration of the Supervisors shall be distributed in accordance with the ratio stated under the Paragraph.</p>	<p>Article 22: If the Company makes profits for the current year, it shall set aside between 3% to 10% as employee compensation, and no more than <u>3%</u> as remunerations of the Directors. However, if the Company still records a cumulative loss, its profit shall first be used to make up the loss. The recipients of shares or cash for employee's compensation from preceding paragraph may include employees of subsidiaries that meet a certain criteria for control. The Board of Directors or its authorized person will be delegated with the power to decide on the conditions and methods of such share distributions. Before the establishment of the Company's Audit Committee, remuneration of the Supervisors shall be distributed in accordance with the ratio stated under the Paragraph.</p>	<p>Treated in line with legal regulations and the Company's actual needs.</p>
<p>Article 23: At the end of fiscal year, the Company shall first compensate the accumulated losses with profits after tax, if any, before contributing 10% of the remaining net profits as legal capital reserve as well as a certain percentage of the remaining net profits as special capital reserve determined by the competent authority in</p>	<p>Article 23: At the end of fiscal year, the Company shall first compensate the accumulated losses with profits after tax, if any, before contributing 10% of the remaining net profits as legal capital reserve as well as a certain percentage of the remaining net profits as special capital reserve determined by the</p>	<p>Treated in line with legal regulations and the Company's actual needs.</p>

Articles after amendments	Articles before amendments	Explanation of amendments
<p>accordance with the Regulations Governing Stock Exchanges. However, if the legal capital reserve has exceeded the Company's total paid-in capital, no such appropriation will be required. Further plans to allocate the remaining profits after tax, together with the retained net profits earlier at the beginning of the fiscal period and the remaining net profits of the current year shall be proposed and submitted by the Board to the Shareholders' Meeting for its resolution.</p> <p>In response to economic fluctuations and to maintain a robust financial structure, the Company adopts balanced dividend policy, and the policy for future dividend distribution is as follow: No less than 10% of the distributable earnings will be appropriated as shareholders' dividends and bonuses.</p> <p>Nevertheless, in case the distributable earnings are less than 10% of paid-in capital, the Company may choose not to distribute dividends.</p> <p>In consideration of a balanced and stable dividend policy, the Company will adequately adopt either share dividends or cash dividends based on investment capital needs and the levels of dilution on the earnings per share (EPS), provided that the cash dividends shall be no less than 10% of the total dividends.</p> <p><u>If all or part of the above-mentioned dividends and</u></p>	<p>competent authority in accordance with the Regulations Governing Stock Exchanges. However, if the legal capital reserve has exceeded the Company's total paid-in capital, no such appropriation will be required. Further plans to allocate the remaining profits after tax, together with the retained net profits earlier at the beginning of the fiscal period and the remaining net profits of the current year shall be proposed and submitted by the Board to the Shareholders' Meeting for its resolution.</p> <p>In response to economic fluctuations and to maintain a robust financial structure, the Company adopts balanced dividend policy, and the policy for future dividend distribution is as follow: No less than 10% of the distributable earnings will be appropriated as shareholders' dividends and bonuses.</p> <p>Nevertheless, in case the distributable earnings are less than 10% of paid-in capital, the Company may choose not to distribute dividends.</p> <p>In consideration of a balanced and stable dividend policy, the Company will adequately adopt either share dividends or cash dividends based on investment capital needs and the levels of dilution on the earnings per</p>	

Articles after amendments	Articles before amendments	Explanation of amendments
<p><u>bonuses are distributed in cash, the board of directors shall be authorized to attend with more than two-thirds of the directors, and more than half of the directors present shall agree to do so, and report to the shareholders meeting. Therefore , Paragraph 1 is not applicable.</u></p>	<p>share (EPS), provided that the cash dividends shall be no less than 10% of the total dividends.</p>	
<p>Article 26: The Articles were enacted on April 18, 2001. ... (Omitted) Eleventh amendment was on June 17, 2020. <u>Twelfth amendment will be on June 24, 2021.</u></p>	<p>Article 26: The Articles were enacted on April 18, 2001. ... (Omitted) Eleventh amendment was on June 17, 2020.</p>	<p>Added date of amendment.</p>

Attachment 5

Great Tree Pharmacy Co., Ltd.

Table of Comparisons Before and After Amendments of "Procedures for Election of Directors"

Articles after amendments	Articles before amendments	Explanation of amendments
<p>Article 5: The election of Directors of the Company shall be conducted in accordance with the candidate nomination system set out in Article 192-1 of the Company Act.</p> <p>When the number of Directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next Shareholders' Meeting. When the number of Directors falls short by one-third of the total number prescribed by the Articles of Incorporation, the Company shall convene a special Shareholders' Meeting within 60 days of the occurrence of that fact for a by-election for Directors.</p> <p>When the number of Independent Directors falls below that required as stipulated in Article 14-2, Paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders' meeting to fill the vacancy. When the independent directors are dismissed en masse, an extraordinary shareholders' meeting shall be called within 60 days from the date of occurrence and hold a by-election to fill the vacancies.</p>	<p>Article 5: Elections of Directors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. The Company shall review the qualifications, education, working experience, background, and the existence of any other matters set forth in Article 30 of the Company Act with respect to nominee Directors and Supervisors and may not arbitrarily add requirements for documentation of other qualifications. It shall further provide the results of the review to shareholders for their reference, so that qualified Directors will be elected.</p> <p>When the number of Directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next Shareholders' Meeting. When the number of Directors falls short by one-third of the total number prescribed by the Articles of Incorporation, the Company shall convene a special Shareholders' Meeting within 60 days of the occurrence of that fact for a by-election for Directors.</p>	<p>I. Paragraph 1 is amended in response to the amendment to Article 129-1 of the Company Act to simplify the procedures for nomination of Directors.</p> <p>II. Paragraph 3 is adjusted in response to the Directive Letter No. 1070345233 dated December 19, 2018 from the Financial Supervisory Commission (FSC), which requires companies listed on the TWSE/TPEX to engage Independent Directors.</p>

Articles after amendments	Articles before amendments	Explanation of amendments
	<p>When the number of Independent Directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, or the related provisions of the Taiwan Stock Exchange Corporation rules governing the review of listings, or subparagraph 8 of the Standards for Determining Unsuitability for GTSM Listing under Article 10, Paragraph 1 of the GreTai Securities Market Rules Governing the Review of Securities for Trading on the GTSM, a by-election shall be held at the next Shareholders' Meeting to fill the vacancy. When the Independent Directors are dismissed en masse, a special Shareholders' Meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.</p>	
	<p><u>Article 10: In the event that the candidate is a shareholder of the Company, the voters voting for such candidate shall fill in in the "candidate" column on the ballot such candidate's account name and shareholder account number. In the event that the candidate is not a shareholder of the Company, the voters voting for such candidate shall fill in in the "candidate" column on the ballot such candidate's name and ID number. However, when the candidate is a</u></p>	<p>In accordance with Directive Letter No. 1080311451 issued by Financial Supervisory Commission on April 25, 2019, with effect from 2021, all TWSE and TPEX listed companies shall adopt a candidate nomination system for the election of Directors and Supervisors, and shareholders shall elect the Directors and Supervisors from among the nominees listed in the</p>

Articles after amendments	Articles before amendments	Explanation of amendments
	<p><u>governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.</u></p>	<p>roster of candidates. Prior to the shareholders' meeting, shareholders may familiarize with the names, education background and other relevant information of the candidates via the roster; verification of shareholders would be by shareholder number or identity card number. The Article is no longer relevant and is deleted accordingly.</p>
<p>Article 10: An election ballot is deemed null and void under any of the following circumstances:</p> <p>I. The ballot was not prepared by <u>a person with the right to convene.</u></p> <p>II. A blank ballot is placed in the ballot box.</p> <p>III. The writing is unclear and indecipherable or has been altered.</p> <p>IV. <u>The candidate whose name is entered in the ballot does not conform to the Director candidate list.</u></p> <p>V. Other words or marks are entered in addition to the number of voting rights allotted.</p>	<p>Article 11: An election ballot is deemed null and void under any of the following circumstances:</p> <p>I. The ballot was not prepared by the Board of Directors.</p> <p>II. A blank ballot is placed in the ballot box.</p> <p>III. The writing is unclear and indecipherable or has been altered.</p> <p>IV. <u>The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the Shareholders' Rosters; or the candidate whose name is entered in the ballot is a non-shareholder, but upon checking it shows that the candidate's name and identity card number do not match.</u></p> <p><u>V. The ballot is marked with words other than the</u></p>	<p>I. Amended the article number due to the deletion of Article 10.</p> <p>II. Pursuant to regulations in Article 173 of the Company Act, shareholders may, upon approval from the competent authority, convene a meeting under special circumstances (for instance, when a notice that the Board of Directors will not convene a meeting has been received). Paragraph 1 in this Article has therefore been amended accordingly. In addition, in accordance with the Directive Letter No. 1080311451 issued by Financial Supervisory Commission on April 25, 2019, with effect from 2021, all TWSE</p>

Articles after amendments	Articles before amendments	Explanation of amendments
	<p><u>candidate's account name (name) or shareholder account number (identity card number) and the number of voting rights allotted.</u></p> <p>VI. <u>The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.</u></p>	<p>and TPEX listed companies shall adopt a candidate nomination system for the election of Directors and Supervisors, and shareholders shall elect the Directors and Supervisors from among the nominees listed in the roster of candidates. Accordingly, paragraphs 4 and 5 of the Article are amended and paragraph 6 is deleted.</p>
Article <u>11</u> (Omitted).	Article <u>12</u> (Omitted).	Changed the Article number.
Article <u>12</u> (Omitted).	Article <u>13</u> (Omitted).	Changed the Article number.
<p>Article <u>13</u>: The Procedures were enacted on June 25, 2013. First amendment was on June 25, 2013. Second amendment was on June 17, 2020. <u>Third amendment will be on June 24, 2021.</u></p>	<p>Article <u>14</u>: The Procedures were enacted on June 25, 2013. First amendment was on June 25, 2013. Second amendment was on June 17, 2020.</p>	<p>I. Changed the Article number. II. Added date of amendment.</p>

Attachment 6

Great Tree Pharmacy Co., Ltd.

Table of Comparisons Before and After Amendments of "Rules of Procedure for Shareholders' Meeting"

Articles after amendments	Articles before amendments	Explanation of amendments
<p>Article 3: Paragraphs 1 to 3 are omitted.</p> <p>Election or dismissal of Directors, amendments to the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the Company by Directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act, Article 26-1 and Article 43-6 of the Securities and Exchange Act, and Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.</p> <p>Paragraph 5 is omitted.</p> <p>A shareholder holding 1% or more of the total number of issued shares may submit to the Company a written proposal for discussion at a general Shareholders' Meeting. Such proposals, however, are limited to one item only, and no proposal containing more than</p>	<p>Article 3: Paragraphs 1 to 3 are omitted.</p> <p>Election or dismissal of Directors, amendments to the Articles of Incorporation, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out in the notice of the reasons for convening the Shareholders' Meeting. None of the above matters may be raised by an extraordinary motion. The content of which shall be uploaded to a website designated by the competent authority or the Company, and the website shall be specified on the meeting notice.</p> <p>Paragraph 5 is omitted.</p> <p>A shareholder holding 1% or more of the total number of issued shares may submit to the Company a written proposal for discussion at a general Shareholders' Meeting. Such proposals, however, are limited to one item only, and no proposal containing more than</p>	<p>Contents of the Article are adjusted in line with applicable regulations including the Company Act.</p>

Articles after amendments	Articles before amendments	Explanation of amendments
<p>one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda. Shareholders may submit proposed proposals to urge the Company to promote the public interest or fulfill its social responsibilities. The procedures shall be limited to one item in accordance with the Article 172-1 of the Company Act. Any proposal in excess shall be excluded from the agenda.</p> <p>Contents below are omitted.</p>	<p>one item will be included in the meeting agenda. However, when a shareholder's proposal contains suggestions or recommendations that would increase the public interest of the Company or facilitate the Company to fulfill its corporate social responsibility, the Board of Directors may include such proposal into the agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda.</p> <p>Contents below are omitted.</p>	
<p>Article 9: Attendance at Shareholders' Meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically. <u>The chair shall call the meeting to order at the appointed meeting time and announce relevant information such as the number of non-voting rights and the number of shares present at the same time.</u> However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two</p>	<p>Article 9: Attendance at Shareholders' Meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically. <u>The Chair shall call the meeting to order at the appointed meeting time.</u> However, when the attending shareholders do not represent a majority of the total number of issued shares, the Chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued</p>	<p>Paragraph 2 is amended to enhance corporate governance and to protect the rights and interests of shareholders.</p>

Articles after amendments	Articles before amendments	Explanation of amendments
<p>postponements and the attending shareholders still represent less than one third of the total number of issued shares, the Chair shall declare the meeting adjourned.</p> <p>Contents below are omitted.</p>	<p>shares, the Chair shall declare the meeting adjourned.</p> <p>Contents below are omitted.</p>	
<p>The election of Directors at a Shareholders' Meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, <u>as well as the names of candidates not elected and their corresponding number of votes received.</u></p> <p>Paragraph 2 is omitted.</p>	<p>Article 14: The election of Directors at a Shareholders' Meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as Directors and the numbers of votes with which they were elected.</p> <p>Paragraph 2 is omitted.</p>	<p>Paragraph 1 is amended to enhance corporate governance and to protect the rights and interests of shareholders.</p>
<p>Article 20: The Procedures were enacted on June 25, 2013; first amendment took place on June 29, 2016; second amendment took place on June 17, 2020; <u>third amendment will take place on June 24, 2021.</u></p>	<p>Article 20: The Procedures were enacted on June 25, 2013; first amendment took place on June 29, 2016; second amendment will take place on June 17, 2020.</p>	<p>Added date of amendment.</p>

Attachment 7

Great Tree Pharmacy Co., Ltd.

Table of Comparisons Before and After Amendments of "Regulations Governing the Acquisition and Disposal of Assets"

Articles after amendments	Articles before amendments	Explanation of amendments
<p>Article 8: Trading Terms and Authorization Limit In acquisition or disposal of assets, the Company shall follow the below trading terms and authorization limit:</p> <ol style="list-style-type: none"> 1. Short-term investments less than NT\$10 million shall be approved by the General Manager; between NT\$10 million to NT\$30 million, approval from the Chairman will be needed; and for amounts between NT\$30 million to NT\$50 million, approval from the Board of Directors will be required. 2. <u>For the acquisition or disposal of long-term investment of NT\$30 million or less, approval from the Chairman will be needed, and the decision shall be subsequently submitted to and ratified by the next Board of Directors meeting. Amounts exceeding NT\$30 million shall be approved by resolution from the Board of Directors.</u> 3. For the acquisition or disposal of real property less than NT\$10 million, approval from the General Manager will be needed; between NT\$10 million to NT\$30 million, approval from the Chairman will be needed; and for amounts over NT\$30 million, approval from the Board of 	<p>Article 8: Trading Terms and Authorization Limit In acquisition or disposal of assets, the Company shall follow the below trading terms and authorization limit:</p> <ol style="list-style-type: none"> 1. Short-term investments less than NT\$10 million shall be approved by the General Manager; between NT\$10 million to NT\$30 million, approval from the Chairman will be needed; and for amounts between NT\$30 million to NT\$50 million, approval from the Board of Directors will be required. 2. <u>Acquisition or disposal of long-term investment can only be conducted upon approval from the Board of Directors. But when increasing the investment for the same target, if the increase is less than NT\$50 million (inclusive), only the approval from the Board of Directors will be needed.</u> 3. For the acquisition or disposal of real property less than NT\$10 million, approval from the General Manager will be needed; between NT\$10 million to NT\$30 million, approval from the Chairman will be needed; and for amounts over NT\$30 million, 	<p>Amended in accordance with the Company's actual needs.</p>

Articles after amendments	Articles before amendments	Explanation of amendments
<p>Directors will be required before the acquisition or the disposal can be made. However, capital expenditure budget approved by the Board of Directors is exempted from this limit.</p> <p>4. Acquisition or disposal of other fixed asset less than NT\$10 million shall be approved by the General Manager; between NT\$10 million to NT\$30 million, approval from the Chairman will be needed; and for amounts over NT\$30 million, approval from the Board of Directors will be required before the acquisition or the disposal can be made. However, capital expenditure budget approved by the Board of Directors is exempted from this limit.</p> <p>5. Acquisition or disposal of membership or intangible asset will be handled after the implementation department submits relevant information for approval from the Board of Directors.</p> <p>6. Acquisition or disposal of derivatives will be carried out in accordance with Section 3 of the Procedures.</p> <p>7. Acquisition or disposal of assets through mergers, demergers, acquisitions or transfer of shares in accordance with the law, shall be processed in accordance with Section 4 of the Procedures.</p>	<p>approval from the Board of Directors will be required before the acquisition or the disposal can be made. However, capital expenditure budget approved by the Board of Directors is exempted from this limit.</p> <p>4. Acquisition or disposal of other fixed asset less than NT\$10 million shall be approved by the General Manager; between NT\$10 million to NT\$30 million, approval from the Chairman will be needed; and for amounts over NT\$30 million, approval from the Board of Directors will be required before the acquisition or the disposal can be made. However, capital expenditure budget approved by the Board of Directors is exempted from this limit.</p> <p>5. Acquisition or disposal of membership or intangible asset will be handled after the implementation department submits relevant information for approval from the Board of Directors.</p> <p>6. Acquisition or disposal of derivatives will be carried out in accordance with Section 3 of the Procedures.</p> <p>7. Acquisition or disposal of assets through mergers, demergers, acquisitions or transfer of shares in accordance with the law, shall be processed in accordance with Section 4 of the Procedures.</p>	

Articles after amendments	Articles before amendments	Explanation of amendments
<p>Pursuant to preceding regulation or other laws and bylaws, in acquisition or disposal of assets, the Company shall obtain approval from the Audit Committee and submit to the Board for resolution.</p>	<p>Pursuant to preceding regulation or other laws and bylaws, in acquisition or disposal of assets, the Company shall obtain approval from the Audit Committee and submit to the Board for resolution.</p>	
<p>Article 39: The Regulations were enacted on June 15, 2012; first amendment took place on May 30, 2014; second amendment took place on June 29, 2016; third amendment took place on June 23, 2017; fourth amendment took take place on June 26, 2019; fifth amendment took place on June 17, 2020; and sixth <u>amendment will take place on June 24, 2021.</u></p>	<p>Article 39: The Regulations were enacted on June 15, 2012; first amendment took place on May 30, 2014; second amendment took place on June 29, 2016; third amendment took place on June 23, 2017; fourth amendment took take place on June 26, 2019; and fifth amendment will take place on June 17, 2020.</p>	<p>Added date of amendment.</p>

Appendix 1

Great Tree Pharmacy Co., Ltd. Articles of Incorporation (Before Amendments)

Chapter 1 General Provisions

- Article 1: The Company is organized in accordance with the Company Act. The name of the Company is Great Tree Pharmacy Co., Ltd. (大樹醫藥股份有限公司) The English name of the Company is Great Tree Pharmacy Co., Ltd.
- Article 2: The scope of business of the Company shall be as follow:
- 1.F108021 Wholesale of Drugs and Medicines.
 - 2.F208021 Retail Sale of Drugs and Medicines.
 - 3.F108031 Wholesale of Medical Equipment.
 - 4.F208031 Retail Sale of Medical Equipment.
 - 5.F208050 Retail Sale of the Second Type Patent Medicine.
 - 6.F102170 Wholesale of Food and Grocery.
 - 7.F203010 Retail Sale of Food Products, Beverages and Groceries.
 - 8.F104110 Wholesale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing Accessories and Other Textile Products.
 - 9.F204110 Retail Sale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing Accessories and Other Textile Products.
 - 10.F106020 Wholesale of Articles for Daily Use.
 - 11.F206020 Retail Sale of Articles for Daily Use.
 - 12.F107030 Wholesale of Cleaning Preparations.
 - 13.F207030 Retail Sale of Cleaning Preparations.
 - 14.F108040 Wholesale of Cosmetics.
 - 15.F208040 Retail Sale of Cosmetics.
 - 16.F109070 Wholesale of Stationery Articles, Musical Instruments and Educational Entertainment Articles.
 - 17.F209060 Retail Sale of Stationery Articles, Musical Instruments and Educational Entertainment Articles.
 - 18.F601010 Intellectual Property.
 - 19.I103060 Management Consulting Services.
 - 20.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, based on business needs and carried out in accordance with the Company's Regulations Governing Making of Endorsements/Guarantees, provide an endorsement/guarantee for companies.
- Article 4: The total amount of the Company's reinvestment shall not be subject to the restriction of not exceeding 40% of its paid-in capital from Article 13 of the Company Act.

Article 5: The Company shall have its head-office in Taoyuan City, Taiwan and, if necessary, may set up branches in and out of this country upon a resolution of its Board of Directors.

Article 6: The Company shall make public announcements in accordance with Article 28 of the Company Act.

Chapter 2 Shares

Article 7: The total capital amount of the Company shall be six hundred million New Taiwan Dollars (NT\$600,000,000), divided into sixty million shares, at a par value of ten New Taiwan Dollars (NT\$10) per share, and may be issued separately by the Board of Directors.

An amount of seventy-five million New Taiwan Dollar (NT\$75,000,000) out of the aforesaid capital is reserved as subscription warrants for employees, divided into seventy million and five-hundred thousand shares (7,500,000) at a par value of ten New Taiwan Dollars (NT\$10) per share and may be issued separately by the Board of Directors depending on actual needs.

The share certificates of the Company shall be in registered form, and before they are issued, shall be signed by or affixed with seals of Company Directors, and be certified pursuant to the law.

The Company may be exempted from printing any share certificate for the shares issued, but shall register the issued shares with the Taiwan Depository & Clearing Corporation and follow the regulations of that enterprise.

Article 9: Regarding share transfer, no changes to the information recorded in the shareholder roster may be allowed within 60 days before an Annual Shareholders' Meeting, or 30 days before a Special Shareholders' Meeting, or 5 days before the record date of distribution of stock dividends or bonuses or other benefits.

Article 9-1: When the Company purchases treasury shares in accordance with related laws, the subjects of the share transfer may include qualified employees of the Company or employees of subsidiaries that meet a certain criteria for control. The Board of Directors will be delegated with the power to decide on the conditions and methods of such share distributions.

When the Company distributes employee stock options, the counterparties shall be qualified employees of the Company or employees of subsidiaries that meet a certain criteria for control. The Board of Directors will be delegated with the power to decide on the conditions and methods of such share distributions.

When issuing new shares, employees who subscribe to the shares shall be qualified employees of the Company or employees of subsidiaries that meet a certain criterion for control. The Board of Directors will be delegated with the power to decide on the conditions and methods of such share distributions.

When issuing restricted employee shares, the counterparties shall be qualified employees of the Company or employees of subsidiaries that meet a certain criterion for control. The Board of Directors will be delegated with the power to decide on the conditions and methods of such share distributions.

Chapter 3 Shareholders' Meetings

- Article 10: Shareholders' Meetings shall be of two types, namely general and special ones. The former shall be convened once a year within 6 months after the close of each fiscal year by the Board of Directors and the latter shall be convened whenever necessary.
- Article 11: Where a shareholder is unable to do so in person, he/she/it may appoint a proxy to attend a Shareholders' Meeting in his/her/its behalf by executing a proxy form printed by the Company stating therein the scope of power authorized to the proxy. The handling method of the proxy form shall be carried out in accordance with the Company Act and the Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies from the competent authority.
- Article 12: Unless otherwise provided under Article 179 of the Company Act which sets forth the situation where the shareholder has no voting rights, a shareholder of the Company shall have one vote for each share held by him/her/it.
- Article 13: Unless otherwise provided for in the Company Act, a resolution of a Shareholders' Meeting shall be adopted with consent of the shareholders representing a majority of the voting rights at the meeting attended by shareholders holding a majority of the total issued shares. The Company shall adopt electronic voting as a form of exercising voting rights. A shareholder exercising voting rights in electronic means shall be deemed to have attended the Shareholders' Meeting in person, and related matters shall be handled in accordance with the law.

Chapter 4 Directors and Audit Committee

- Article 14: The Company has seven to nine Directors who are appointed for tenure of 3 years and may be re-elected for consecutive terms. The aforesaid Board of Directors must have at least two Independent Directors, whose number shall account for at least one-fifth of all Directors. As specified in Article 192-1 of the Company Act, the candidate nomination system shall be followed for election of Directors in the Company. The shareholders shall elect Directors from the list of Director candidates.
- Article 15: The Board of Directors is organized by Directors. The Chairman of the Board shall be elected from among the Directors by majority of Directors present at a meeting attended by more than two thirds of Directors. The Chairman shall externally represent the Company. Unless otherwise provided for by the Company Act, a resolution of the Board of Directors shall be adopted by the consent of a majority of the Directors present in a meeting attended by the majority of the total Directors.
- Article 16: In convening a meeting of the Board of Directors, a notice shall be given to each Director no later than 7 days prior to the scheduled meeting date. However, in the case of urgency, the meeting may be convened at any time. The aforementioned notice for convening the meeting can be given in writing or via e-mail or fax.

Article 17: In case the Chairman is on leave or unable to perform his duties for cause, his/her representative will be carried out in accordance with Article 208 of the Company Act. If a Director is unavailable to attend a meeting in person, the Director may issue a proxy specifying the scope of the authorized powers to authorize another Director to attend the meeting on the Director's behalf, provided that a Director may represent only one other Director at a meeting.

Article 18: Regardless whether the Company makes profits or suffers loss, the Company may pay the Directors the remunerations for their performance their duties. The Board of Directors is authorized to determine such remunerations based on the extent of involvements of the Company's operation and the value of the contribution of the Directors and the normal rate adopted by other companies in the same industry.

The Company may purchase liability insurance to cover the Directors for the liabilities they shall be responsible while performing their duties pursuant to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies. The Board of Directors is delegated to approve the scope of the said insurance.

Article 19: The Company establishes an Audit Committee in compliance with Article 14-4 of the Securities and Exchange Act. The Audit Committee shall consist of all Independent Directors and is responsible to carry out duties of supervisors stipulated in the Company Act, Securities, and Exchange Act and other laws and regulations.

Matters concerning the audit committee members, the exercise of their powers and other compliance issues shall be handled in accordance with relevant laws and regulations. Its organizational regulations shall be established separately by the Board of Directors.

The Company may establish a compensation committee or other functional committees in accordance with laws and regulations or business needs.

Chapter 5 Managers

Article 20: The Company may have managers, and their appointment, dismissal and remuneration shall be conducted in accordance with Article 29 of the Company Act.

Chapter 6 Accounting

Article 21: The Company's Board of Directors shall prepare (1) business report, (2) financial statements and (3) profit distribution or deficit compensation proposal after the end of each fiscal year and forward them to the General Shareholders' Meeting for acceptance pursuant to the law.

Article 22: If the Company makes profits for the current year, it shall set aside between 3% to 10% as employee compensation, and no more than 3% as remunerations of the Directors. However, if the Company still records a cumulative loss, its profit shall first be used to make up the loss.

The recipients of shares or cash for employee's compensation from preceding paragraph may include employees of subsidiaries that meet a certain criterion for control. The Board of Directors or its authorized person will be delegated with the power to decide on the conditions and methods of such share distributions.

Before the establishment of the Company's Audit Committee, remuneration of the Supervisors shall be distributed in accordance with the ratio stated under the Paragraph.

Article 23: At the end of fiscal year, the Company shall first compensate the accumulated losses with profits after tax, if any, before contributing 10% of the remaining net profits as legal capital reserve as well as a certain percentage of the remaining net profits as special capital reserve determined by the competent authority in accordance with the Regulations Governing Stock Exchanges. However, if the legal capital reserve has exceeded the Company's total paid-in capital, no such appropriation will be required. Further plans to allocate the remaining profits after tax, together with the retained net profits earlier at the beginning of the fiscal period and the remaining net profits of the current year shall be proposed and submitted by the Board to the Shareholders' Meeting for its resolution.

To respond to economic changes and to strengthen the Company's financial structure, the Company has adopted a balanced dividend policy. The policy for future dividend distribution is as follows:

The Company shall appropriate no less than 10% of the aforementioned distributable earnings as dividends for shareholders. However, when the distributable earnings are less than 10% of the paid-in capital, the Company may choose not to distribute dividends.

In consideration of a balanced and stable dividend policy, the Company will adequately adopt either share dividends or cash dividends based on investment capital needs and the levels of dilution on the earnings per share (EPS), provided that the cash dividends shall be no less than 10% of the total dividends.

Chapter 7 Supplementary Provisions

Article 24: After public issuance of the Company, approval from the Shareholders' Meeting shall be obtained in case the Company proposes to revoke the public offering, and this Article shall not be changed during listing on either the Taipei Exchange or the TWSE.

Article 25: For matters not provided for in these Articles of Incorporation, the Company Act or other laws and regulations shall govern.

Article 26: The Articles were enacted on April 18, 2001.

First amendment was on August 10, 2006.

Second amendment was on January 14, 2008.

Third amendment was on December 15, 2008.

Fourth amendment was on May 21, 2010.

Fifth amendment was on June 15, 2012.

Sixth amendment was on May 30, 2014.

Seventh amendment was on September 26, 2014.

Eighth amendment was on June 8, 2015.

Ninth amendment was on June 29, 2016.

Tenth amendment was on June 26, 2019.

Eleventh amendment was on June 17, 2020.

Appendix 2

Great Tree Pharmacy Co., Ltd. Procedures for Election of Directors (Before Amendments)

- Article 1: To ensure a just, fair, and open election of Directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 2: Except as otherwise provided by law or by the Articles of Incorporation, elections of the Company's Directors shall be conducted in accordance with these Procedures.
- Article 3: The overall composition of the Board of Directors shall be taken into consideration in the selection of the Company's directors. Each Board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:
- I. Ability to make operational judgments.
 - II. Ability to perform accounting and financial analysis.
 - III. Ability to conduct management administration.
 - IV. Ability to conduct crisis management.
 - V. Knowledge of the industry.
 - VI. An international market perspective.
 - VII. Ability to lead.
 - VIII. Ability to make policy decisions.
- More than half of the Directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.
- Article 4: The qualifications for the Independent Directors of the Company shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.
- The qualifications for the Independent Directors of the Company shall comply with articles 5, 6, 7, 8 and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and relevant practices shall be implemented pursuant to article 24 of the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies.
- Article 5: Elections of Directors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. The Company shall review the qualifications, education, working experience, background, and the existence of any other matters set forth in Article 30 of the Company Act with respect to nominee Directors and Supervisors and may not

arbitrarily add requirements for documentation of other qualifications. It shall further provide the results of the review to shareholders for their reference, so that qualified Directors will be elected.

When the number of Directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next Shareholders' Meeting. When the number of Directors falls short by one-third of the total number prescribed by the Articles of Incorporation, the Company shall convene a special Shareholders' Meeting within 60 days of the occurrence of that fact for a by-election for Directors.

When the number of Independent Directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, or the related provisions of the Taiwan Stock Exchange Corporation rules governing the review of listings, or subparagraph 8 of the Standards for Determining Unsuitability for GTSM Listing under Article 10, Paragraph 1 of the GreTai Securities Market Rules Governing the Review of Securities for Trading on the GTSM, a by-election shall be held at the next Shareholders' Meeting to fill the vacancy. When the Independent Directors are dismissed en masse, a special Shareholders' Meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

- Article 6: The cumulative voting method shall be used for election of the Directors at the Company. Each share will have voting rights in number equal to the Directors to be elected, and may be cast for a single candidate or split among multiple candidates.
- Article 7: The Board of Directors shall prepare separate ballots for Directors in numbers corresponding to the Directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the Shareholders' Meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- Article 8: The number of Directors will be as specified in the Company's Articles of Incorporation, with voting rights separately calculated for independent and non-independent director positions. In the election of Directors of this Company, candidates who acquire more votes should win the seats of Directors. If two or more persons acquire the same number of votes and the number of such persons exceeds the specified seats available, such persons acquiring the same votes shall draw lots to decide who should win the seats available, and the chair shall draw lots on behalf of the candidate who is not present.

Article 9: Before the election process starts, the chairperson shall appoint a certain number of ballot inspectors and counters to perform the respective duties. The ballot boxes shall be prepared by the Board of Directors and publicly checked by the vote monitoring personnel before voting commences.

Article 10: In the event that the candidate is a shareholder of the Company, the voters voting for such candidate shall fill in in the "candidate" column on the ballot such candidate's account name and shareholder account number. In the event that the candidate is not a shareholder of the Company, the voters voting for such candidate shall fill in in the "candidate" column on the ballot such candidate's name and ID number. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.

Article 11: An election ballot is deemed null and void under any of the following circumstances:

- I. The ballot was not prepared by the Board of Directors.
- II. A blank ballot is placed in the ballot box.
- III. The writing is unclear and indecipherable or has been altered.
- IV. The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the Shareholders' Rosters; or the candidate whose name is entered in the ballot is a non-shareholder, but upon checking it shows that the candidate's name and identity card number do not match.
- V. The ballot is marked with words other than the candidate's account name (name) or shareholder account number (identity card number) and the number of voting rights allotted.
- VI. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.

Article 12: The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as Directors and the numbers of votes with which they were elected, shall be announced by the chair on the site. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 13: The Rules and any amendments thereafter shall become effective upon resolution at the shareholders' meeting.

Article 14: The Procedures were enacted on June 25, 2013; first amendment took place on June 29, 2016; second amendment will take place on June 17, 2020.

Appendix 3

Great Tree Pharmacy Co., Ltd. "Rules of Procedure for Shareholders' Meeting" (Before Amendments)

Article 1: To establish a strong governance system and sound Supervisory capabilities for this Company's Shareholders' Meetings, and to strengthen management capabilities, these Rules are adopted for compliance.

Article 2: The Company's Rules of Procedure for Shareholders' Meetings, except as otherwise provided by law, regulation, or the Articles of Incorporation, shall be as provided in these Rules.

Article 3: Unless otherwise provided by law or regulation, this Company's Shareholders' Meetings shall be convened by the Board of Directors.

To convene an Annual Shareholders' Meeting, the Company shall prepare a Meeting Handbook and announce it to every shareholder 30 days before the date of meeting. Regarding shareholders whose hold less than 1,000 name-bearing shares each, the Company shall make the announcement through the Market Observation Post System (MOPS) 30 days before the date of meeting. To convene a Special Shareholders' Meeting, the Company shall make announcement 15 days before the date of meeting. Regarding shareholders whose hold less than 1,000 name-bearing shares each, the Company shall make the announcement through the MOPS 15 days before the date of meeting.

The reasons for convening a Shareholders' Meeting shall be specified in the meeting notice and public announcement. With the consent of addressees, the meeting notice may be given in electronic form.

Election or dismissal of Directors, amendments to the Articles of Incorporation, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out in the notice of the reasons for convening the Shareholders' Meeting. None of the above matters may be raised by an extraordinary motion. The content of which shall be uploaded to a website designated by the competent authority or the Company, and the website shall be specified on the meeting notice.

When the meeting agenda has specified general re-elections of the Directors and the terms of the Directors' office, the terms of office of the Directors shall not be altered by raising an extraordinary motion or any other method upon the completion of the general elections at the Shareholders' Meeting.

A shareholder holding 1% or more of the total number of issued shares may submit to the Company a written proposal for discussion at a general Shareholders' Meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. However, when a shareholder's proposal contains suggestions or recommendations that would increase the public interest of the Company or facilitate the Company to fulfill its corporate

social responsibility, the Board of Directors may include such proposal into the agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda.

Prior to the book closure date before a general shareholders meeting is held, the Company shall publicly announce that it will receive shareholder proposals, the method of receiving such proposals (whether written or in electronic form), and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the General Shareholders' Meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a Shareholders' Meeting, The Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the Shareholders' Meeting, the Board of Directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4: For each Shareholders' Meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given Shareholders' Meeting, and shall deliver the proxy form to the Company 5 days before the date of the Shareholders' Meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail, unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5: The venue for a Shareholders' Meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a Shareholders' Meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the Independent Directors with respect to the place and time of the meeting.

Article 6: The Company shall specify in its Shareholders' Meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

Shareholders and their proxies (collectively, "shareholders") shall attend Shareholders' Meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of Directors or Supervisors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a Shareholders' Meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Article 7: If a Shareholders' Meeting is convened by the Board of Directors, the Chair of the meeting shall be the Chairman. When the Chairman is on leave or for any reason unable to exercise the powers of the Chairman, the Vice Chairman shall act in place of the Chairman. If there is no Vice Chairman or the Vice Chairman is also on leave or for any reason unable to exercise the powers of the Vice Chairman, the Chairman shall appoint one of the Managing Directors to act as the Chair. If there are no Managing Directors, one of the Directors shall be appointed to act as the Chair. Where the Chairman does not make such a designation, the Managing Directors or the Directors shall select from among themselves one person to serve as the Chair.

When a Managing Director or a Director serves as Chair, as referred to in the preceding paragraph, the Managing Director or Director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person Director that serves as Chair.

It is advisable that Shareholders' Meetings convened by the Board of Directors be chaired by the Chairman in person and attended by a majority of the Directors.

If a Shareholders' Meeting is convened by a party with power to convene but other than the Board of Directors, the convening party shall Chair the meeting. When there are two or more such convening parties, they shall mutually select a Chair from among themselves.

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a Shareholders' Meeting in a non-voting capacity.

Article 8: The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the Shareholders' Meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

- Article 9: Attendance at Shareholders' Meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically. The Chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the Chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the Chair shall declare the meeting adjourned. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1, Article 175 of the Company Act; all shareholders shall be notified of the tentative resolution and another Shareholders' Meeting shall be convened within 1 month. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the Chair may resubmit the tentative resolution for a vote by the Shareholders' Meeting pursuant to Article 174 of the Company Act.
- Article 10: If a Shareholders' Meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda (including extraordinary motions and amendments to proposals), which may not be changed without a resolution of the shareholders meeting. The provisions of the preceding paragraph apply mutatis mutandis to a Shareholders' Meeting convened by a party with the power to convene that is not the Board of Directors. The Chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the Shareholders' Meeting. If the Chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new Chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting. The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and arrange ample time for a vote.
- Article 11: Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the Chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the Chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the Chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the Chair and the shareholder that has the floor; the Chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a Shareholders' Meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the Chair may respond in person or direct relevant personnel to respond.

Article 12: Voting at a Shareholders' Meeting shall be calculated based the number of shares.

With respect to resolutions of Shareholders' Meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders. With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13: A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Paragraph 2, Article 179 of the Company Act.

When the Company convenes a Shareholders' Meeting, voting shall be conducted in electronic measures but may also be conducted in writing. When voting via written or electronic method, the choice shall be indicated in the shareholder meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person. The shareholder is deemed to have waived his/her rights with respect to the extraordinary motions and revisions to the original proposals of that meeting; it is therefore advisable that the Company shall avoid submission of extraordinary motions and revision to the original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company 2 days before the date of the Shareholders' Meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, unless a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means,

in the event the shareholder intends to attend the Shareholders' Meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, 2 business days before the date of the Shareholders' Meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a Shareholders' Meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in The Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the Chair or a person designated by the Chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the Chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When anyone among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the Chair, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting for Shareholders' Meeting proposals or elections shall be conducted in public at the place of the Shareholders' Meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Article 14: The election of Directors at a Shareholders' Meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as Directors and the numbers of votes with which they were elected.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 15: Matters relating to the resolutions of a Shareholders' Meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the Chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a

summary of the deliberations and their results (including the weight of the votes), and the number of weighted votes each nominee received in case of a Directors' elections, and shall be retained for the duration of the existence of the Company.

Article 16: On the day of a Shareholders' Meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the Shareholders' Meeting.

If matters put to a resolution at a Shareholders' Meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17: Staff handling administrative affairs of a Shareholders' Meeting shall wear identification cards or arm bands.

The Chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a Shareholders' Meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the Chair may prevent the shareholder from so doing.

When a shareholder violates the Rules of Procedure for Shareholders' Meetings and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18: When a meeting is in progress, the Chair may announce a break based on time considerations. If a force majeure event occurs, the Chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the Shareholders' Meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a Shareholders' Meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

Article 19: These Rules, and any amendments hereto, shall be implemented after adoption by Shareholders' Meetings.

Article 20: The Procedures were enacted on June 25, 2013; first amendment took place on June 29, 2016; second amendment will take place on June 17, 2020.

Appendix 4

Shareholdings of All Directors

The shareholding of Directors as of April 26, 2021 (the book closure date) is as follows:

Title	Name	Shares held as of the book closure date	
		Shareholding	Ratio (%)
Chairman	Cheng Ming Lung, Representative of Zhen Han Investment Co., Ltd	6,063,106	11.23
Director	Shen Li Ping, Representative of Top Taiwan BioTech Venture Capital Co., Ltd.	333,296	0.62
Director	Chen Hung Yi	0	0.00
Independent Director	Liu Tian Dao	0	0.00
Independent Director	Kuo Dai-Huang	36,020	0.07
Independent Director	Wang Hsing-Wen	0	0.00
Cumulative Shareholding of All Directors and Ratios		6,432,422	11.92

Note 1: As of the book closure date, the number of shares issued by the Company is 54,001,676 shares.

Note 2: Pursuant to provisions from Article 26 of the Securities and Exchange Act, the minimum required number of shares held by all Directors shall be 4,320,134 shares.

Note 3: The Company has set up three seats of Independent Directors. Of all Directors, the shareholding of Non-independent Directors may be calculated based on the 80% of the required number of shares held.

Note 4: Corporate Director Jun Wei Investment Co., Ltd. has resigned on November 9, 2020.