

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

STOCK NO.: 6569



**Onyx Healthcare Inc.**

# **Annual General Shareholders Meeting for 2021**

## **Meeting Handbook**

**May 25, 2021**

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

## Table of Contents

Meeting Procedure.....	1
Meeting Agenda .....	2
Report Items .....	3
Acknowledgment Items.....	4
Discussion Items.....	5
Special motions .....	7
Attachment I Business Report .....	8
Attachment II Audit Committee’s Report.....	12
Attachment III Standalone Financial Statements and Independent Auditors' Report.....	13
Attachment IV Consolidated Financial Statements and Independent Auditors' Report.....	26
Attachment V Comparison of Existing and Revised " Procedure for Board of Directors Meetings" .....	39
Attachment VI Comparison of Existing and Revised "Business Integrity Procedures and Behavioral Guidelines".....	41
Attachment VII Comparison of Existing and Revised " Rules for Election of Directors".....	47
Attachment VIII Comparison of Existing and Revised " Articles of Incorporation " .....	50
Attachment IX Articles of Incorporation.....	52
Attachment X Procedure for Board of Directors Meetings .....	58
Attachment XI Business Integrity Procedures and Behavioral Guidelines .....	64
Attachment XII Rules for Election of Directors .....	72
Attachment XIII Shareholder Meeting Conference Rules.....	75
Attachment XVI Shareholdings of the Directors.....	81

**Meeting Procedure**

**Onyx Healthcare Inc.  
Meeting Procedure  
for  
the Annual General Shareholders Meeting of 2021**

---

**I. Commencement of meeting**

**II. Chairperson's opening remarks**

**III. Report Items**

**IV. Acknowledgment Items**

**V. Discussion Items**

**VI. Special motions**

**VII. Adjournment**

## **Meeting Agenda**

### **Onyx Healthcare Inc.**

#### Agenda of the Annual General Shareholders' Meeting for 2021

- I. Time: 9am, May 25(Tuesday), 2021
- II. Venue: 9F, No. 135, Lane 235, Baoqiao Road, Xindian District, New Taipei City
- III. Commencement of meeting (announce the total number of shares represented in the meeting)
- IV. Chairperson's opening remarks
- V. Report Items:
  - (I) 2020 Business Report.
  - (II) 2020 Audit Committee's Report.
  - (III) 2020 Employee's and Directors' Remuneration Proposal.
  - (IV) Partial Amendments to " Procedure for Board of Directors Meetings ".
  - (V) Partial Amendments to " Business Integrity Procedures and Behavioral Guidelines ".
- VI. Acknowledgment Items:
  - (I) 2020 Business Report and Financial Statements.
  - (II)The Proposal for Distribution of 2020 Profits.
- VII. Discussions Items:
  - (I) Issuance of new shares from Capital increase by Earnings.
  - (II) Cash Distribution from the Capital Surplus.
  - (III) Partial Amendments to " Rules for Election of Directors ".
  - (IV) Partial Amendments to the Company's " Articles of Incorporation ".
- VIII. Special motions
- IX. Adjournment

## Report Items

### I. 2020 Business Report.

Details: Please refer to Attachment I of this conference manual for the Company's 2020 Business Report on pages 8-11.

### II. 2020 Audit Committee's Report.

Details: Please refer to Attachment II of this conference manual for the Company's 2020 Audit Committee's Report on page 12.

### III. 2020 Employee's and Directors' Remuneration Proposal.

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

II. Employee's remuneration totaling NT\$15,000,000 (6.94%) and director remuneration totaling NT\$2,400,000 (1.11%) have been proposed for 2020; both are indifferent from the amounts initially estimated, and will be entirely paid in cash.

### IV. Partial Amendments to "Procedure for Board of Directors Meetings".

Details: I. Partial amendments to the Company's "Procedure for Board of Directors Meetings" for conformity with the amended version of the "Sample Template for XXX Co., Ltd. Rules of Procedure for Board of Directors Meetings" in Letter No. Securities-TPEX-Examination-10900582662 of the Taipei Exchange on June 12, 2020.

II. Please refer to Attachment V on pages 39-40 of this conference manual for a detailed comparison of the "Procedure for Board of Directors Meetings" before and after revision.

### V. Partial Amendments to "Business Integrity Procedures and Behavioral Guidelines".

Details: I. Partial amendments to the Company's "Business Integrity Procedures and Behavioral Guidelines" for conformity with the amended version of the "Sample Template for XXX Co., Ltd. Procedures for Ethical Management and Guidelines for Conduct" in Letter No. Securities-TPEX-Examination-10900521401 of the Taipei Exchange on February 19, 2020.

II. Please refer to Attachment VI on pages 41-46 of this conference manual for a detailed comparison of the "Business Integrity Procedures and Behavioral Guidelines" before and after revision.

## Acknowledgment Items

Motion 1: Adoption of 2020 Business Report and Financial Statements.  
(Proposed by the board of directors)

Details: I. The Company's 2020 Business Report, standalone financial statements and consolidated financial statements have been audited by CPA Weng, Shih - Rong and CPA Lin, Chun - Yao of PriceWaterhouseCoopers Taiwan. The above documents have also been reviewed by the Audit Committee, for which the committee has issued its audit report.  
II. Please refer to Attachment I on pages 8-11, Attachment III and Attachment IV on pages 13-38 of this conference manual for the Company's 2020 Business Report, standalone financial statements and consolidated financial statements with Independent Auditor's Report, respectively.

Resolution:

Motion 2: Adoption of the Proposal for Distribution of 2020 Profits. (Proposed by the board of directors)

Details: I. The Company generated NT\$167,075,031 of net income for the year of 2020; after providing NT\$16,707,503 in legal reserve, NT\$4,729,957 in special reserve and adding NT\$24,975,060 of undistributed earning carried from previous periods, a proposal was made to distribute cash dividends totaling NT\$123,796,229 (NT\$4.50 per share) and stock dividends totaling NT\$27,510,270 (NT\$1.00 per share) to shareholders. Refer to the earnings appropriation chart below:

Onyx Healthcare Inc.  
Earnings Distribution Table  
2020

Unit: NTD

Item	Amount	Remarks
Beginning retained earnings	24,975,060	
Add: Net income for 2020	167,075,031	
Less: Provision of legal reserve (10%)	(16,707,503)	
Provision for special reserve	(4,729,957)	
Earnings available for distribution in the current period	170,612,631	
Less: Distributions		
Shareholders' dividends - cash	(123,796,229)	NT\$4.50 per share
Shareholders' dividends - stock	(27,510,270)	NT\$1.00 per share
Closing undistributed earnings	19,306,132	

**Note: Distribution to be paid out of 2020 earnings first.**

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

- II. The amount of cash dividend distribution shall be calculated and truncated to the nearest NT\$1. Fractions that do not amount to a full NT\$1 shall be summed and recognized by the Company as other income. Once the motion has been approved during the annual general meeting, a request shall be raised simultaneously to authorize the Chairman to set baseline date and payment date for dividends.
- III. Proposal to seek approval during annual general meeting to authorize the Chairman for decisions involving adjustments to dividend allocation, should the Company encounter a change of share capital that changes the number of outstanding shares on a later date.

Resolution:

### **Discussion Items**

Motion 1: Issuance of new shares from capital increase by earnings; the motion is open for discussion. (Proposed by the board of directors)

Details: I. Considering the Company's future business development, a proposal has been raised to capitalize NT\$27,510,270 of 2020 undistributed earnings and issue 2,751,027 new shares as stock dividends at a face value of NT\$10 per share.

II. Conditions for new share issuance

- (I) For this earnings capitalization, new shares will be allocated to shareholders listed on the shareholder registry as of the stock dividend baseline date at the rate of 100 new shares per 1,000 shares held. Shareholders who are allocated fractions of a share may approach the stock transfer agent within 5 days after the stock dividend baseline date to combine available fractions into a full share. Fractions that remain past the due date shall have cash value calculated at face value to the nearest dollar according to Article 240 of The Company Act (to offset against TDCC transfer fees or book-entry registration fees). The Chairman shall be authorized to engage designated parties to subscribe at face value if necessary.
- (II) New shares from capitalized earnings shall be issued in the non-physical form and carry the same rights and obligations as existing shares.
- (III) Once the motion is passed during the annual general meeting and approved by the authority, a request shall be raised simultaneously to authorize the board of directors to set the stock dividend baseline date.
- (IV) Should the Company encounter a change of share capital that changes the number of outstanding shares on a later date, the board

of directors shall be fully authorized to make necessary adjustments to the percentage of stock dividends allocated to shareholders.

- (V) Proposal to fully authorize the board of directors for making changes as instructed by the authority or regulated by law.

Resolution:

Motion 2: Proposal to Cash Distribution from the Capital Surplus; the motion is open for discussion. (Proposed by the board of directors)

Details: I. NT\$27,510,270 of the capital Surplus previously recognized from shares issued at premium above face value will be distributed in cash to existing shareholders as shown in the shareholder registry as of the baseline date for the distribution. Shareholders will receive approximately NT\$1 for every share held; the amount of payment per shareholder will be truncated to the nearest dollar; fractions that do not amount to a full dollar shall be summed and recognized as other income of the Company.

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

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

Resolution:

Motion 3: Partial Amendments to “Rules for Election of Directors”; the motion is open for discussion. (Proposed by the board of directors)

Details: I. Proposal to make partial amendments to the Company’s “Rules for Election of Directors” for conformity in Letter No. Securities-TPEX-Examination-10900582662 of the Taipei Exchange on June 12, 2020.

II. Please refer to Attachment VII on pages 47-49 of this conference manual for detailed comparison of the “Rules for Election of Directors” before and after revision.

Resolution:

Motion 4: Partial Amendments to the Company’s “Articles of Incorporation”; the motion is open for discussion. (Proposed by the board of directors)

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



II. Please refer to Attachment VIII on pages 50-51 of this conference manual for detailed comparison of the “Articles of Incorporation” before and after revision.

Resolution:

**Special motions**

**Adjournment**

## Onyx Healthcare Inc. Business report

Thank you, dear shareholders, for your support and encouragement. 2020 was a challenging year for Onyx Healthcare. Looking ahead to 2021, although the economic environment is still filled with variables, we will continue with R&D to enhance competitiveness and create new business opportunities, as well as improve capacity and quality to actively face future challenges. What follows is the report on our business performance in 2020 and business plan for 2021:

### I. Business Performance in 2020

#### (I) Project Results in 2020

Changes of the economic environment, intensified market competition, and the strengthening of NTD against USD have all affected the Company's profits in 2020. The Company generated operating revenues of NT\$1,347,304 thousand for 2020, down 9.15% compared to 2019, and reported gross profit of NT\$464,007 thousand and net income of NT\$164,907 thousand for 2020, representing declines of -14.49% and -29.98% over 2019, respectively. Below is a breakdown of revenue weight by products:

Product category	Revenue weight
Critical Care Monitoring	31.60%
Medical Controller	24.16%
Mobile Medical Assistant	14.25%
Mobile Nursing Care	17.03%
Others	10.30%
Service Charge	2.66%
	<b>100.00%</b>

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

1. Budget execution: The Company did not produce a financial forecast for 2020, and hence is not required to disclose its progress.
2. Revenues, expenses, and profitability analysis

Unit: NT\$ thousand

Item		Year	2020	2019	
			Consolidated	Consolidated	
Financial receipts	Operating revenues		\$1,347,304	\$1,482,944	
	Gross profit		464,007	542,644	
	Current net income		164,907	235,529	
Profitability analysis	Return on assets (%)		11.93	18.31	
	Return on shareholders' equity (%)		15.91	24.23	
	As a percentage of paid-up capital (%)	Operating profit		58.40	107.52
		Pre-tax profit		73.65	131.73
	Net profit margin (%)		12.24	15.88	
	Basic earnings per share (NT\$)		6.07	10.88	
	Diluted earnings per share (NT\$)		6.04	10.82	

(III) Research and development

1. Research and development expenses in the last 2 years

Unit: NT\$ thousand; %

Item		Year	2020	2019
R&D expenses			68,635	68,973
Net operating revenues			1,347,304	1,482,944
As a percentage of net operating revenues			5.09	4.65

2. R&D progress in the last year

The scope of our R&D covers hardware, software, and mechanisms. We also combined the foundations of group technology and industry-academia collaboration to develop new medical products. Hardware development includes medical-grade computers and related peripherals and custom design in collaboration with leading suppliers of medical equipment. Software development includes smart power diagnosis and management and AIoT technologies. Current R&D interests cover medical AI image identification, AI edge computing, smart power management, and telemedicine systems. Mechanism development includes the design of lightweight mechanisms with rugged forms and structures suitable for use in medical environments. The results of R&D will be included in the new functions of future new product development to constantly enhance product particularity, maintain technology leadership, and seize higher market shares. New products launched in 2020 included the Digital Diagnostic Scope for use in telemedicine; the

integration of the brand-new generation smart medical power supply UP43 and the latest central control software Orion, which can provide uninterrupted power supply for remote control services for up to 24 hours; and the all-in-one medical PC MATE and ACCEL series, medical display MedDP, and medical controller MedPC.

## II. Business plan and strategic development for 2021

### (I) Operational policy

1. Our business philosophy is “People Oriented, Integrity and Sincerity, Excellence and Innovation, Customers as Teachers”.
2. Monitor and capitalize on market opportunities for revenue and profit growth.
3. Coordinate with suppliers and execute procurement, production and sales practices in conformity with ethical and environmental standards for mutual benefit.

### (II) Projected sales volume and basis

Through continuous cultivation of the medical PC market, we have developed steady customer groups in Europe and America, and our products have earned praise from customers on these continents. Through product R&D and innovation, it is expected that we can capture market growth opportunities in Europe and America to boost revenues and maintain steady profit growth for the company. In 2021, we will continue to implement various strategies based on our experience. Regardless of the impact of COVID-19, steady growth is expected in the coming year.

### (III) Production-sales plan

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

### (IV) Future development strategies

1. Expand the scope of mobile medicine and Android application attributes, and develop new products for miniaturized medical application markets.
2. Deepen and expand the capacity of local DMS technology and services, and deepen product development for local customers.
3. Establish a healthcare innovation unit, utilize AI to provide medical practices with sensing, connection, and adaptation functions and spread their use in medical institutions at home and abroad.
4. Collaborate with leading hospitals in Europe, America, and Asia to provide telecare services.
5. Effectively overcome spatial barriers with ICT and IoT for patients to receive healthcare services outside the hospital.

III. Impact of external competition, legal environment, and macro environment

(I) Impact of external competition

In recent years, large manufacturers have continued to enter the medical PC market. To tackle the competition, besides enhancing services for existing customers, we will emphasize the R&D of products with higher gross profit to provide customers with more competitive options.

(II) Impact of the legal environment

Besides complying with the relevant regulations at home and abroad, we keep track of policy trends and regulatory changes at home and abroad to provide a reference for management consideration and to take countermeasures. Currently, no unfavorable legal impact on operations has been detected.

(III) Impact of the macro environment

Although global economic recovery looks promising as pandemic control is expected to bear fruit later this year because of mass vaccination in a number of countries, the US dollar continues to fluctuate and increase foreign exchange risks. We will keep close track on Forex rate trends and enhance control over Forex volatility to minimize the impact on operations.

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

Sincerely,

**Onyx Healthcare Inc.**

Chairman: Chuang, Yung-Shun

General Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih

## **Audit Committee's Report**

We have reviewed the Company's 2020 business report, financial statements and earnings appropriation proposal prepared by the board of directors. The financial statements have been audited by CPA WENG, SHIH - RONG and CPA LIN, CHUN - YAO of PriceWaterhouseCoopers Taiwan, to which the firm has issued an independent auditor's report. The Audit Committee found no misstatement in the above business report, financial statements or earnings appropriation, and hereby issues its report as presented above in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of The Company Act.

For

**Onyx Healthcare Inc.**

2021 Annual General Shareholders Meeting

Audit Committee Convener: Chiang, Po-Wen

February 23, 2021

Independent Auditor's Report

(110)-Cai-Shen-Bao-Zi-20002880

To stakeholders of ONYX Healthcare Inc.:

**Audit opinion**

We have audited the accompanying standalone balance sheet of ONYX Healthcare Inc. (referred to as "ONYX Healthcare" below) as at December 31, 2020 and 2019, the standalone statement of comprehensive income, standalone statement of changes in equity, and standalone cash flow statement from January 1 to December 31, 2020 and 2019, and notes to standalone financial statements (including a summary of significant accounting policies).

In our opinion, based on our audit results and audit results of other auditors (please refer to the Other Issues paragraph), all material disclosures of the standalone financial statements mentioned above were prepared in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and presented a fair view of the standalone financial position of ONYX Healthcare as at December 31, 2020 and 2019, and standalone business performance and cash flow for the periods January 1 to December 31, 2020 and 2019.

**Basis of audit opinion**

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

**Key audit issues**

Key audit issues are matters that we considered to be the most important, based on professional judgment when auditing the 2020 standalone financial statements of ONYX Healthcare. These issues have already been addressed when we audited and formed our opinions on the standalone financial statements. Therefore, we do not provide opinions separately for individual issues.

Key audit issues concerning the 2020 standalone financial statements of ONYX Healthcare are as follows:

### **Existence of revenues from new top-10 buyers**

#### Description

Please refer to Note 4(27) for accounting policy on revenue recognition. Please refer to Note 6(17) of the standalone financial statements for a detailed description of revenue accounts.

ONYX Healthcare and subsidiaries (presented as equity-accounted investments) are mainly involved in the design, manufacturing, and sale of medical computers. Since medical computers are customized for specific purposes, the sale of which is highly susceptible to cyclicity and varies from customer to customer, project to project. For this reason, ONYX Healthcare is constantly in need of exploring new markets and meet orders for different projects, causing changes in top-10 buyers. After comparing ONYX Healthcare's top-10 buyers in 2020 and 2019, new buyers added to this year's top-10 list were considered to significantly affect revenues of ONYX Healthcare and subsidiaries. As a result, we have identified ONYX Healthcare's new buyers in the top-10 list as one of the key audit issues this year.

#### Audit procedures

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

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



## **Accounting estimates for inventory valuation**

### Description

For accounting policies on inventory valuation, please refer to Note 4(11) of the standalone financial statements; for major accounting estimates, assumptions, and uncertainties on inventory valuation, please refer to Note 5(2) of the standalone financial statements; for detailed inventory accounts, please refer to Note 6(4) of the standalone financial statements.

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

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

### Audit procedures

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

1. Evaluating the policy adopted by ONYX Healthcare to make provisions for inventory devaluation losses based on our understanding of the company's operations and industry nature.

2. Examining details of individual inventory items that the management had considered to be obsolete and verifying against supporting documents.
3. Testing the market prices based upon which net realizable values of individual inventory items were established and making random checks to ensure that net realizable values were correctly calculated.

## **Other issues - audits by other auditors**

Amongst the equity-accounted business investments presented in the standalone financial statements of ONYX Healthcare, some of which had financial statements audited by other CPAs that we did not take part in. Therefore, opinions made in the standalone financial statements mentioned above in regards to such businesses were based on audited reports of other CPAs. As at December 31, 2020 and 2019, balances of the abovementioned equity-accounted investments totaled NT\$537,102,000 and NT\$505,586,000, representing 40% and 38% of total assets, respectively. For the periods from January 1 to December 31, 2020 and 2019, comprehensive income recognized from the abovementioned companies totaled NT\$32,698,000 and NT\$19,648,000, representing 20% and 9% of comprehensive income, respectively.

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

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

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

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

## **Responsibilities of CPAs in Inspecting Individual Financial Statements**

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

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

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

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

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

After communicating with the governing body regarding the 2020 standalone financial statements of ONYX Healthcare, we have identified the key audit issues. These issues have been addressed in our audit report except for: 1. Certain topics that are prohibited by law from disclosing to the public; or 2. Under extreme circumstances, topics that we decided not to communicate in the audit report because of higher negative impacts they may cause than the benefits they bring to the public interest.

PwC Taiwan

Weng, Shih-Rong

CPA

Lin, Chun-Yao

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

Approval reference: (88)-Tai-Cai-Zheng-(VI)-95577

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

Approval reference: (85)-Tai-Cai-Zheng-(VI)-68702

February 25, 2021

ONYX Healthcare Inc.  
Standalone Balance Sheet  
As at December 31, 2020 and 2019

Unit: NTD thousands

Assets	Note	December 31, 2020		December 31, 2019		
		Amount	%	Amount	%	
<b>Current assets</b>						
1100	Cash and cash equivalents	6(1)	\$ 295,565	22	\$ 303,632	23
1110	Financial assets at fair value through profit or loss - current	6(2)	5,512	-	9,988	1
1150	Net notes receivable	6(3)	49	-	-	-
1170	Net accounts receivable	6(3)	55,111	4	97,446	7
1180	Accounts receivable - related parties, net	7	54,668	4	37,939	3
1200	Other receivables		2,547	-	2,852	-
1210	Other receivables - related parties	7	17	-	4,291	-
130X	Inventory	6(4)	152,065	12	151,250	12
1410	Prepayments		9,556	1	6,681	1
1470	Other current assets	8	13,488	1	2,438	-
11XX	<b>Total current assets</b>		<u>588,578</u>	<u>44</u>	<u>616,517</u>	<u>47</u>
<b>Non-current assets</b>						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	38,261	3	33,869	3
1517	Financial assets at fair value through other comprehensive income - non-current	6(5)	2,381	-	2,381	-
1550	Equity-accounted investments	6(6)	660,436	50	619,002	47
1600	Property, plant and equipment	6(7)	17,572	1	19,602	1
1755	Right-of-use assets	6(8)	4,193	-	9,480	1
1780	Intangible assets		5,134	1	553	-
1840	Deferred income tax assets	6(23)	10,616	1	11,484	1
1900	Other non-current assets		2,197	-	1,897	-
15XX	<b>Total non-current assets</b>		<u>740,790</u>	<u>56</u>	<u>698,268</u>	<u>53</u>
1XXX	<b>Total assets</b>		<u>\$ 1,329,368</u>	<u>100</u>	<u>\$ 1,314,785</u>	<u>100</u>

(Continued next page)

ONYX Healthcare Inc.  
Standalone Balance Sheet  
As at December 31, 2020 and 2019

Unit: NTD thousands

Liabilities and equity	Note	December 31, 2020		December 31, 2019		
		Amount	%	Amount	%	
<b>Current liabilities</b>						
2130	Contractual liabilities - current	6(17)	\$ 53,821	4	\$ 28,355	2
2170	Accounts payable		56,767	4	52,454	4
2180	Accounts payable - related parties	7	3,935	-	51,161	4
2200	Other payables	6(10)	54,981	4	57,140	4
2220	Other payables - related parties	7	3,601	-	2,757	-
2230	Current income tax liabilities		42,670	3	29,330	2
2250	Liability reserves - current	6(12)	6,672	1	8,742	1
2280	Lease liabilities - current		2,927	-	7,161	1
2300	Other current liabilities		4,070	1	3,852	-
21XX	<b>Total current liabilities</b>		<u>229,444</u>	<u>17</u>	<u>240,952</u>	<u>18</u>
<b>Non-current liabilities</b>						
2527	Contractual liabilities - non-current	6(17)	52,694	4	61,098	5
2550	Liability reserves - non-current	6(12)	1,942	1	2,365	-
2570	Deferred income tax liabilities	6(23)	1,078	-	51	-
2580	Lease liabilities - non-current		1,274	-	2,389	-
25XX	<b>Total non-current liabilities</b>		<u>56,988</u>	<u>5</u>	<u>65,903</u>	<u>5</u>
2XXX	<b>Total liabilities</b>		<u>286,432</u>	<u>22</u>	<u>306,855</u>	<u>23</u>
<b>Equity</b>						
	Share capital	6(14)				
3110	Common share capital		275,102	21	220,082	17
	Capital reserves	6(13)(15)				
3200	Capital reserves		478,566	36	473,856	36
	Retained earnings	6(16)				
3310	Legal reserves		101,948	8	78,010	6
3320	Special reserves		40,263	3	-	-
3350	Unappropriated earnings		192,050	14	276,245	21
	Other equity items					
3400	Other equity items		( 44,993 )	( 4 )	( 40,263 )	( 3 )
3XXX	<b>Total equity</b>		<u>1,042,936</u>	<u>78</u>	<u>1,007,930</u>	<u>77</u>
	Major post-balance sheet date events	11				
3X2X	<b>Total liabilities and equity</b>		<u>\$ 1,329,368</u>	<u>100</u>	<u>\$ 1,314,785</u>	<u>100</u>

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

Chairman: Chuang, Yung-Shun

Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih

ONYX Healthcare Inc.  
Standalone Statement of Comprehensive Income  
For periods from January 1 to December 31, 2020 and 2019

Unit: NTD thousands  
(except earnings per share, which are presented in NTD)

Item	Note	2020		2019	
		Amount	%	Amount	%
4000 Operating revenues	6(17) and 7	\$ 966,340	100	\$ 1,157,701	100
5000 Operating costs	6(4)(21) (22) and 7	( 650,196 )	( 67 )	( 751,312 )	( 65 )
5900 Gross profit		316,144	33	406,389	35
5910 Unrealized gain on sales		( 10,246 )	( 1 )	( 9,262 )	-
5920 Realized gain on sales		9,262	1	12,444	1
5950 Net gross profit		<u>315,160</u>	<u>33</u>	<u>409,571</u>	<u>36</u>
Operating expenses	6(21) (22) and 7				
6100 Selling expenses		( 58,482 )	( 6 )	( 67,511 )	( 6 )
6200 Administrative expenses		( 41,924 )	( 5 )	( 39,500 )	( 3 )
6300 R&D expenses		( 65,597 )	( 7 )	( 66,308 )	( 6 )
6450 Expected credit impairment (loss) reversal gain		( 2,660 )	-	351	-
6000 Total operating expenses		( 168,663 )	( 18 )	( 172,968 )	( 15 )
6900 Operating profit		<u>146,497</u>	<u>15</u>	<u>236,603</u>	<u>21</u>
Non-operating income and expenses					
7100 Interest income	6(18)	732	-	1,582	-
7010 Other income	6(19)	4,425	-	1,783	-
7020 Other gains and losses	6(20)	( 1,815 )	-	30,844	3
7050 Financial costs		( 156 )	-	( 197 )	-
7070 Share of profits/losses on equity- accounted subsidiaries, associated companies, and joint ventures	6(6)	48,967	5	16,555	1
7000 Total non-operating income and expenses		52,153	5	50,567	4
7900 <b>Pre-tax profit</b>		198,650	20	287,170	25
7950 Income tax expense	6(23)	( 31,575 )	( 3 )	( 47,793 )	( 4 )
8200 <b>Current net income</b>		<u>\$ 167,075</u>	<u>17</u>	<u>\$ 239,377</u>	<u>21</u>

(Continued next page)



ONYX Healthcare Inc.  
Standalone Statement of Comprehensive Income  
For periods from January 1 to December 31, 2020 and 2019

Unit: NTD thousands  
(except earnings per share, which are presented in NTD)

Item	Note	2020		2019	
		Amount	%	Amount	%
<b>Other comprehensive income</b>					
<b>Items not reclassified into profit or loss</b>					
8316	Unrealized gain/loss on valuation of equity instruments at fair value through other comprehensive income	6(5)	\$ -	( \$ 7,969 )	( 1 )
8330	Share of other comprehensive income from subsidiaries, equity-accounted associated companies, and joint ventures - not reclassified into profit or loss		( 846 )	790	-
8310	Items not reclassified into profit or loss - total		( 846 )	( 7,179 )	( 1 )
<b>Items likely to be reclassified into profit or loss</b>					
8361	Financial statement translation differences arising from foreign operations		( 4,406 )	( 2,689 )	-
8380	Share of other comprehensive income from equity-accounted subsidiaries, associated companies, and joint ventures - likely to be reclassified into profit or loss		( 359 )	( 76 )	-
8399	Income tax on items that are likely to be reclassified into profit or loss	6(23)	881	553	-
8360	Items likely to be reclassified into profit or loss - total		( 3,884 )	( 2,212 )	-
8300	<b>Other comprehensive income (net)</b>		( \$ 4,730 )	( \$ 9,391 )	( 1 )
8500	<b>Total comprehensive income for the current period</b>		\$ 162,345	\$ 229,986	20
Basic earnings per share					
9750	Current net income	6(24)	\$ 6.07	\$ 8.70	
Diluted earnings per share					
9850	Current net income	6(24)	\$ 6.04	\$ 8.66	

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

Chairman: Chuang, Yung-Shun

Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih

ONYX Healthcare Inc.  
Standalone Statement of Changes in Equity  
For periods from January 1 to December 31, 2020 and 2019

Unit: NTD thousands

	Note	Retained earnings				Other equity items			Total
		Common share capital	Capital reserves	Legal reserves	Special reserves	Unappropriated earnings	Financial statement translation differences arising from foreign operations	Unrealized gains/losses on financial assets at fair value through other comprehensive income	
<u>2019</u>									
Balance as at January 1, 2019		\$ 200,075	\$ 473,856	\$ 58,519	\$ -	\$ 206,414	(\$ 1,888)	(\$ 28,984)	\$ 907,992
Current net income		-	-	-	-	239,377	-	-	239,377
Other current comprehensive income	6(5)	-	-	-	-	-	( 2,212)	( 7,179)	( 9,391)
Total comprehensive income for the current period		-	-	-	-	239,377	( 2,212)	( 7,179)	229,986
Appropriation and distribution of 2018 retained earnings:	6(16)								
Provision for legal reserves		-	-	19,491	-	( 19,491)	-	-	-
Cash dividends		-	-	-	-	( 130,048)	-	-	( 130,048)
Stock dividends	6(14)	20,007	-	-	-	( 20,007)	-	-	-
Balance as at December 31, 2019		\$ 220,082	\$ 473,856	\$ 78,010	\$ -	\$ 276,245	(\$ 4,100)	(\$ 36,163)	\$ 1,007,930
<u>2020</u>									
Balance as at January 1, 2020		\$ 220,082	\$ 473,856	\$ 78,010	\$ -	\$ 276,245	(\$ 4,100)	(\$ 36,163)	\$ 1,007,930
Current net income		-	-	-	-	167,075	-	-	167,075
Other current comprehensive income		-	-	-	-	-	( 3,884)	( 846)	( 4,730)
Total comprehensive income for the current period		-	-	-	-	167,075	( 3,884)	( 846)	162,345
Appropriation and distribution of 2019 retained earnings:	6(16)								
Provision for legal reserves		-	-	23,938	-	( 23,938)	-	-	-
Provision for special reserves		-	-	-	40,263	( 40,263)	-	-	-
Cash dividends		-	-	-	-	( 132,049)	-	-	( 132,049)
Stock dividends	6(14)	55,020	-	-	-	( 55,020)	-	-	-
Share-based payment	6(13)(15)	-	4,710	-	-	-	-	-	4,710
Balance as at December 31, 2020		\$ 275,102	\$ 478,566	\$ 101,948	\$ 40,263	\$ 192,050	(\$ 7,984)	(\$ 37,009)	\$ 1,042,936

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

Chairman: Chuang, Yung-Shun

Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih

ONYX Healthcare Inc.  
Standalone Cash Flow Statement  
For periods from January 1 to December 31, 2020 and 2019

Unit: NTD thousands

	Note	January 1 to December 31, 2020	January 1 to December 31, 2019
<u>Cash flow from operating activities</u>			
Pre-tax profit for the current period		\$ 198,650	\$ 287,170
Adjustments			
Income, expenses, and losses			
Depreciation	6(7)(8)(21)	21,894	18,922
Amortization	6(21)	952	413
Expected credit impairment loss (reversal gain)	12(2)	2,660	( 351 )
Net gain on financial assets or liabilities at fair value through profit or loss	6(2)(9)(20)	( 2,544 )	( 34,272 )
Interest expenses	6(8)	156	194
Interest income	6(18)	( 732 )	( 1,582 )
Dividend income	6(19)	( 1,623 )	( 729 )
Share of (profits) losses on equity-accounted subsidiaries, associated companies, and joint ventures	6(6)	( 48,967 )	( 16,555 )
Unrealized gains/losses among affiliates		984	( 3,182 )
Share-based payment - remuneration	6(13)	4,466	-
Change in assets/liabilities related to operating activities			
Net change in assets related to operating activities			
Financial assets mandatory to be carried at fair value through profit or loss		153	( 131 )
Notes receivable		( 49 )	50
Accounts receivable		39,675	40,669
Accounts receivable - related parties		( 16,729 )	47,784
Other receivables		4,579	544
Inventory		( 815 )	( 9,511 )
Prepayments		( 2,875 )	3,382
Other current assets		1,105	243
Net change in liabilities related to operating activities			
Financial liabilities held for trading		( 1,211 )	( 1,246 )
Notes payable		-	( 724 )
Accounts payable		4,313	( 40,494 )
Accounts payable - related parties		( 47,226 )	44,988
Other payables		( 296 )	8,700
Other payables - related parties		844	255
Liability reserves		( 2,493 )	( 454 )
Other current liabilities		218	1,888
Contractual liabilities		17,062	30,426
Cash inflow from operating activities		172,151	376,397
Interests received		732	1,582
Dividends received		30,756	25,039
Interests paid	6(8)	( 156 )	( 194 )
Income tax paid		( 15,459 )	( 43,433 )
Net cash inflow from operating activities		<u>188,024</u>	<u>359,391</u>
<u>Cash flow from investing activities</u>			
Acquisition of financial assets at fair value through profit or loss		( 179 )	( 34,656 )
Disposal of financial assets at fair value through profit or loss		3,865	-
Increase in loans receivable - related parties		-	( 4,291 )
Decrease in restricted assets		45	22
Acquisition of equity-accounted investments		( 27,951 )	( 15,969 )
Acquisition of property, plant, and equipment	6(25)	( 11,075 )	( 8,636 )
Acquisition of intangible assets		( 5,533 )	-
(Increase) decrease in guarantee deposits paid		( 12,500 )	4
Net cash outflow from investing activities		<u>( 53,328 )</u>	<u>( 63,526 )</u>
<u>Cash flow from financing activities</u>			
Repayment of lease principal	6(8)	( 10,714 )	( 6,775 )
Cash dividends paid	6(16)	( 132,049 )	( 130,048 )
Net cash outflow from financing activities		<u>( 142,763 )</u>	<u>( 136,823 )</u>
Increase (decrease) in cash and cash equivalents in the current period		( 8,067 )	159,042
Opening cash and cash equivalents balance	6(1)	303,632	144,590
Closing cash and cash equivalents balance	6(1)	<u>\$ 295,565</u>	<u>\$ 303,632</u>

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

Chairman: Chuang, Yung-Shun

Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih

Independent Auditor's Report

(110)-Cai-Shen-Bao-Zi-20002932

To stakeholders of ONYX Healthcare Inc.:

**Audit opinion**

We have audited the accompanying consolidated balance sheet of ONYX Healthcare Inc. and subsidiaries (referred to as "ONYX Group" below) as at December 31, 2020 and 2019, the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated cash flow statement from January 1 to December 31, 2020 and 2019, and notes to consolidated financial statements (including a summary of significant accounting policies).

In our opinion, based on our audit results and audit results of other auditors (please refer to the Other Issues paragraph), all material disclosures of the consolidated financial statements mentioned above were prepared in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the version of International Financial Reporting Standards, International Accounting Standards and interpretations thereof approved by the Financial Supervisory Commission, and presented a fair view of the consolidated financial position of ONYX Group as at December 31, 2020 and 2019, and consolidated business performance and cash flow for the periods January 1 to December 31, 2020 and 2019.

**Basis of audit opinion**

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

**Key audit issues**

Key audit issues are matters that we considered to be the most important, based on

professional judgment when auditing the 2020 consolidated financial statements of ONYX Group. These issues have already been addressed when we audited and formed our opinions on the consolidated financial statements. Therefore we do not provide opinions separately for individual issues.

Key audit issues concerning the 2020 consolidated financial statements of ONYX Group are as follows:

### **Existence of revenues from new top-10 buyers**

#### Description

Please refer to Note 4(28) for accounting policy on revenue recognition. For a detailed description of revenue accounts, please refer to Note 6(17) of the consolidated financial statements.

ONYX Group is mainly involved in the design, manufacturing, and sale of medical computers. Since medical computers are customized for specific purposes, the sale of which is highly susceptible to cyclicalities and varies from customer to customer, project to project. For this reason, ONYX Group is constantly in need of exploring new markets and meet orders for different projects, causing changes in top-10 buyers. After comparing ONYX Group's top-10 buyers in 2020 and 2019, new buyers added to this year's top-10 list were considered to have a significant effect on consolidated revenues. As a result, we have identified ONYX Group's new buyers in the top-10 list as one of the key audit issues this year.

#### Audit procedures

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

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

### **Accounting estimates for inventory valuation**

#### Description

For accounting policies on inventory valuation, please refer to Note 4(12) of the consolidated financial statements; for major accounting estimates, assumptions, and uncertainties

on inventory valuation, please refer to Note 5(2) of the consolidated financial statements; for detailed inventory accounts, please refer to Note 6(4) of the consolidated financial statements.

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

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

#### Audit procedures

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

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

### **Other issues - audits by other auditors**

Amongst the equity-accounted business investments presented in the consolidated financial statements of ONYX Group, some of which had financial statements audited by other CPAs that we did not take part in. Therefore, opinions made in the consolidated financial statements mentioned above in regards to such businesses were based on audited reports of other CPAs. As at December 31, 2020 and 2019, balances of the abovementioned equity-accounted investments totaled NT\$537,102,000 and NT\$505,586,000, representing 39% and 37% of consolidated total assets, respectively. For the periods from January 1 to December 31, 2020 and 2019, comprehensive income recognized from the abovementioned companies totaled NT\$32,698,000 and NT\$19,648,000, representing 20% and 9% of consolidated comprehensive income, respectively.

### **Other issues - standalone financial statements**

ONYX Healthcare Inc. has prepared standalone financial statements for 2020 and 2019. We have issued an independent auditor's report with an unqualified opinion and made additional disclosures in the Other issues paragraph.

### **Responsibilities of the management and governing body to the consolidated financial statements**

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

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

The governing body of ONYX Group (including the Audit Committee) is responsible for



supervising the financial reporting process.

### **Auditor's responsibilities in the audit of consolidated financial statements**

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

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

1. Identifying and assessing risks of material misstatement due to fraud or error; designing and executing appropriate response measures for the identified risks, and obtaining adequate and appropriate audit evidence to support audit opinions. Fraud may involve conspiracy, forgery, intentional omission, untruthful declaration, or breach of internal control. Our audit did not find any material misstatement where the risk of fraud is greater than the risk of error.
2. Developing the required level of understanding on relevant internal controls and designing audit procedures that are appropriate under the prevailing circumstances, but without providing an opinion on the effectiveness of ONYX Group's internal control system.
3. Assessing the appropriateness of accounting policies adopted by the management and the rationality of accounting estimates and related disclosures.
4. Forming conclusions regarding the appropriateness of management's decision to account for the business as a going concern and whether there are doubts or uncertainties about the ability of ONYX Group to operate as a going concern, based on the audit evidence obtained. We are bound to remind consolidated financial statement users and make related disclosures if material uncertainties exist in regards to the abovementioned events or circumstances and amend audit opinions when the disclosures are no longer appropriate. Our conclusions are based on the audit evidence obtained up to the date of the audit report. However, future events

or circumstances may still render ONYX Group no longer capable of operating as a going concern.

5. Assessing the overall presentation, structure, and contents of the consolidated financial statements (including related footnotes), and whether certain transactions and events are presented appropriately in the consolidated financial statements.
  
6. Obtaining sufficient and appropriate audit evidence on the financial information of individual entities within the group and expressing opinions on consolidated financial statements. Our responsibilities as an auditor are to instruct, supervise and execute audits and form audit opinions on the group.

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

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

After communicating with the governing body regarding the 2020 consolidated financial statements of ONYX Group, we have identified the key audit issues. These issues have been addressed in our audit report except for: 1. Certain topics that are prohibited by law from disclosing to the public; or 2. Under extreme circumstances, topics that we decided not to communicate in the audit report because of higher negative impacts they may cause than the benefits they bring to the public interest.

PwC Taiwan

Weng, Shih-Rong

CPA

Lin, Chun-Yao

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

Approval reference: (88)-Tai-Cai-Zheng-(VI)-95577

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

Approval reference: (85)-Tai-Cai-Zheng-(VI)-68702

February 25, 2021

ONYX Healthcare Inc. and Subsidiaries  
Consolidated balance sheet  
As at December 31, 2020 and 2019

Unit: NTD thousands

Assets	Note	December 31, 2020		December 31, 2019		
		Amount	%	Amount	%	
<b>Current assets</b>						
1100	Cash and cash equivalents	6(1)	\$ 392,364	28	\$ 408,555	29
1110	Financial assets at fair value through profit or loss - current	6(2)	5,512	1	9,988	1
1150	Net notes receivable	6(3)	49	-	-	-
1170	Net accounts receivable	6(3)	152,067	11	161,306	12
1180	Accounts receivable - related parties, net	7	648	-	2,462	-
1200	Other receivables		3,124	-	3,243	-
130X	Inventory	6(4)	179,305	13	174,343	13
1410	Prepayments		16,513	1	14,364	1
1470	Other current assets	8	13,698	1	2,438	-
11XX	<b>Total current assets</b>		<u>763,280</u>	<u>55</u>	<u>776,699</u>	<u>56</u>
<b>Non-current assets</b>						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	38,261	3	33,869	3
1517	Financial assets at fair value through other comprehensive income - non-current	6(5)	2,381	-	2,381	-
1550	Equity-accounted investments	6(6)	537,102	39	505,586	37
1600	Property, plant and equipment	6(7)	20,440	1	23,781	2
1755	Right-of-use assets	6(8)	9,279	1	19,608	1
1780	Intangible assets		5,134	-	553	-
1840	Deferred income tax assets	6(22)	14,484	1	14,003	1
1900	Other non-current assets		2,844	-	2,406	-
15XX	<b>Total non-current assets</b>		<u>629,925</u>	<u>45</u>	<u>602,187</u>	<u>44</u>
1XXX	<b>Total assets</b>		<u>\$ 1,393,205</u>	<u>100</u>	<u>\$ 1,378,886</u>	<u>100</u>

(Continued next page)

ONYX Healthcare Inc. and Subsidiaries  
Consolidated balance sheet  
As at December 31, 2020 and 2019

Unit: NTD thousands

Liabilities and equity	Note	December 31, 2020		December 31, 2019	
		Amount	%	Amount	%
<b>Current liabilities</b>					
2130 Contractual liabilities - current	6(17)	\$ 55,005	4	\$ 32,009	2
2170 Accounts payable		58,615	4	53,493	4
2180 Accounts payable - related parties	7	37,860	3	67,413	5
2200 Other payables	6(10) and 7	67,473	5	76,480	6
2230 Current income tax liabilities		45,150	3	33,429	2
2250 Liability reserves - current	6(12)	6,672	1	8,742	1
2280 Lease liabilities - current	7	4,318	-	13,283	1
2300 Other current liabilities		4,088	-	3,871	-
21XX <b>Total current liabilities</b>		<u>279,181</u>	<u>20</u>	<u>288,720</u>	<u>21</u>
<b>Non-current liabilities</b>					
2527 Contractual liabilities - non-current	6(17)	53,072	4	61,098	4
2550 Liability reserves - non-current	6(12)	1,942	-	2,365	-
2570 Deferred income tax liabilities	6(22)	1,078	-	60	-
2580 Lease liabilities - non-current		5,083	-	6,632	1
25XX <b>Total non-current liabilities</b>		<u>61,175</u>	<u>4</u>	<u>70,155</u>	<u>5</u>
2XXX <b>Total liabilities</b>		<u>340,356</u>	<u>24</u>	<u>358,875</u>	<u>26</u>
<b>Equity</b>					
<b>Equity attributable to parent company shareholders</b>					
Share capital	6(14)				
3110 Common share capital		275,102	20	220,082	16
Capital reserves	6(13)(15)				
3200 Capital reserves		478,566	34	473,856	34
Retained earnings	6(16)				
3310 Legal reserves		101,948	7	78,010	6
3320 Special reserves		40,263	3	-	-
3350 Unappropriated earnings		192,050	14	276,245	20
Other equity items					
3400 Other equity items		(44,993)	(3)	(40,263)	(3)
31XX <b>Total equity attributable to parent company shareholders</b>		<u>1,042,936</u>	<u>75</u>	<u>1,007,930</u>	<u>73</u>
36XX <b>Non-controlling equity</b>	4(3)	<u>9,913</u>	<u>1</u>	<u>12,081</u>	<u>1</u>
3XXX <b>Total equity</b>		<u>1,052,849</u>	<u>76</u>	<u>1,020,011</u>	<u>74</u>
Major post-balance sheet date events	11				
3X2X <b>Total liabilities and equity</b>		<u>\$ 1,393,205</u>	<u>100</u>	<u>\$ 1,378,886</u>	<u>100</u>

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

Chairman: Chuang, Yung-Shun

Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih

ONYX Healthcare Inc. and Subsidiaries  
Consolidated statement of comprehensive income  
For periods from January 1 to December 31, 2020 and 2019

Unit: NTD thousands  
(except earnings per share, which are presented in NTD)

Item	Note	2020		2019	
		Amount	%	Amount	%
4000 Operating revenues	6(17) and 7	\$ 1,347,304	100	\$ 1,482,944	100
5000 Operating costs	6(4)(20) (21) and 7	( 883,297)	( 66)	( 940,300)	( 63)
5900 Gross profit		<u>464,007</u>	<u>34</u>	<u>542,644</u>	<u>37</u>
Operating expenses	6(20) (21) and 7				
6100 Selling expenses		( 161,960)	( 12)	( 157,063)	( 10)
6200 Administrative expenses		( 70,198)	( 5)	( 68,559)	( 5)
6300 R&D expenses		( 68,635)	( 5)	( 68,973)	( 5)
6450 Expected credit impairment loss	12(2)	( 2,553)	-	( 11,423)	( 1)
6000 Total operating expenses		<u>( 303,346)</u>	<u>( 22)</u>	<u>( 306,018)</u>	<u>( 21)</u>
6900 Operating profit		<u>160,661</u>	<u>12</u>	<u>236,626</u>	<u>16</u>
Non-operating income and expenses					
7100 Interest income		665	-	1,448	-
7010 Other income	6(18) and 7	9,746	1	3,595	-
7020 Other gains and losses	6(19)	( 1,887)	-	30,570	2
7050 Financial costs		( 476)	-	( 1,263)	-
7060 Share of profits/losses on equity-accounted associated companies and joint ventures		<u>33,903</u>	<u>2</u>	<u>18,934</u>	<u>2</u>
7000 Total non-operating income and expenses		<u>41,951</u>	<u>3</u>	<u>53,284</u>	<u>4</u>
7900 <b>Pre-tax profit</b>		<u>202,612</u>	<u>15</u>	<u>289,910</u>	<u>20</u>
7950 Income tax expense	6(22)	( 37,705)	( 3)	( 54,381)	( 4)
8200 <b>Current net income</b>		<u>\$ 164,907</u>	<u>12</u>	<u>\$ 235,529</u>	<u>16</u>

(Continued next page)

ONYX Healthcare Inc. and Subsidiaries  
Consolidated statement of comprehensive income  
For periods from January 1 to December 31, 2020 and 2019

Unit: NTD thousands  
(except earnings per share, which are presented in NTD)

Item	Note	2020		2019	
		Amount	%	Amount	%
<b>Other comprehensive income (net)</b>					
<b>Items not reclassified into profit or loss</b>					
8316	Unrealized gain/loss on valuation of equity instruments at fair value through other comprehensive income	6(5)	\$ -	-	(\$ 7,969) ( 1)
8320	Share of other comprehensive income from equity-accounted associated companies and joint ventures - not reclassified into profit or loss		( 846)	-	790 -
8310	Items not reclassified into profit or loss - total		( 846)	-	( 7,179) ( 1)
<b>Items likely to be reclassified into profit or loss</b>					
8361	Financial statement translation differences arising from foreign operations		( 4,406)	-	( 2,689) -
8370	Share of other comprehensive income from equity-accounted associated companies and joint ventures - likely to be reclassified into profit or loss		( 359)	-	( 76) -
8399	Income tax on items that are likely to be reclassified into profit or loss	6(22)	881	-	553 -
8360	Items likely to be reclassified into profit or loss - total		( 3,884)	-	( 2,212) -
8300	<b>Other comprehensive income (net)</b>		<u>(\$ 4,730)</u>	-	<u>(\$ 9,391) ( 1)</u>
8500	<b>Total comprehensive income for the current period</b>		<u>\$ 160,177</u>	<u>12</u>	<u>\$ 226,138</u> <u>15</u>
Net income (loss) attributable to:					
8610	Parent company shareholders		\$ 167,075	12	\$ 239,377 16
8620	Non-controlling equity		( 2,168)	-	( 3,848) -
	Total		<u>\$ 164,907</u>	<u>12</u>	<u>\$ 235,529</u> <u>16</u>
Comprehensive income attributable to:					
8710	Parent company shareholders		\$ 162,345	12	\$ 229,986 15
8720	Non-controlling equity		( 2,168)	-	( 3,848) -
	Total		<u>\$ 160,177</u>	<u>12</u>	<u>\$ 226,138</u> <u>15</u>
Basic earnings per share					
9750	Current net income	6(23)	<u>\$</u>	<u>6.07</u>	<u>\$</u> <u>8.70</u>
Diluted earnings per share					
9850	Current net income	6(23)	<u>\$</u>	<u>6.04</u>	<u>\$</u> <u>8.66</u>

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

Chairman: Chuang, Yung-Shun

Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih

ONYX Healthcare Inc. and Subsidiaries  
Consolidated statement of changes in equity  
For periods from January 1 to December 31, 2020 and 2019

Unit: NTD thousands

	Note	Equity attributable to parent company shareholders															
		Share capital		Retained earnings				Other equity items									
		Common share capital	Stock dividends pending distribution	Capital reserves	Legal reserves	Special reserves	Unappropriated earnings	Financial statement translation differences arising from foreign operations	Unrealized gains/losses on financial assets at fair value through other comprehensive income	Total	Non-controlling equity	Total					
<b>2019</b>																	
Balance as at January 1, 2019		\$ 200,075	\$ -	\$ 473,856	\$ 58,519	\$ -	\$ 206,414	\$ 1,888	(\$ 28,984)	\$ 907,992	\$ 15,929	\$ 923,921					
Current net income (loss)		-	-	-	-	-	239,377	-	-	239,377	(3,848)	235,529					
Other current comprehensive income	6(5)	-	-	-	-	-	-	(2,212)	(7,179)	(9,391)	-	(9,391)					
Total comprehensive income for the current period		-	-	-	-	-	-	(2,212)	(7,179)	(9,391)	-	(9,391)					
Appropriation and distribution of 2018 retained earnings:	6(16)	-	-	-	-	-	239,377	(2,212)	(7,179)	229,986	(3,848)	226,138					
Provision for legal reserves		-	-	-	19,491	-	(19,491)	-	-	-	-	-					
Cash dividends		-	-	-	-	-	(130,048)	-	-	(130,048)	-	(130,048)					
Stock dividends	6(14)	20,007	-	-	-	-	(20,007)	-	-	-	-	-					
Balance as at December 31, 2019		\$ 220,082	\$ -	\$ 473,856	\$ 78,010	\$ -	\$ 276,245	\$ 4,100	(\$ 36,163)	\$ 1,007,930	\$ 12,081	\$ 1,020,011					
<b>2020</b>																	
Balance as at January 1, 2020		\$ 220,082	\$ -	\$ 473,856	\$ 78,010	\$ -	\$ 276,245	\$ 4,100	(\$ 36,163)	\$ 1,007,930	\$ 12,081	\$ 1,020,011					
Current net income (loss)		-	-	-	-	-	167,075	-	-	167,075	(2,168)	164,907					
Other current comprehensive income		-	-	-	-	-	-	(3,884)	(846)	(4,730)	-	(4,730)					
Total comprehensive income for the current period		-	-	-	-	-	-	(3,884)	(846)	(4,730)	-	(4,730)					
Appropriation and distribution of 2019 retained earnings:	6(16)	-	-	-	-	-	167,075	(3,884)	(846)	162,345	(2,168)	160,177					
Provision for legal reserves		-	-	-	23,938	-	(23,938)	-	-	-	-	-					
Provision for special reserves		-	-	-	-	40,263	(40,263)	-	-	-	-	-					
Cash dividends		-	-	-	-	-	(132,049)	-	-	(132,049)	-	(132,049)					
Stock dividends	6(14)	55,020	-	-	-	-	(55,020)	-	-	-	-	-					
Share-based payment	6(13)(15)	-	-	4,710	-	-	-	-	-	4,710	-	4,710					
Balance as at December 31, 2020		\$ 275,102	\$ -	\$ 478,566	\$ 101,948	\$ 40,263	\$ 192,050	\$ 7,984	(\$ 37,009)	\$ 1,042,936	\$ 9,913	\$ 1,052,849					

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

Chairman: Chuang, Yung-Shun

Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih

ONYX Healthcare Inc. and Subsidiaries  
Consolidated cash flow statement  
For periods from January 1 to December 31, 2020 and 2019

	Note	January 1 to December 31, 2020		Unit: NTD thousands January 1 to December 31, 2019
<u>Cash flow from operating activities</u>				
Pre-tax profit for the current period		\$ 202,612	\$	289,910
Adjustments				
Income, expenses, and losses				
Depreciation	6(7)(8)(20)	29,276		27,187
Amortization	6(20)	952		413
Expected credit impairment loss	12(2)	2,553		11,423
Net gain on financial assets or liabilities at fair value through profit or loss	6(2)(9)(19)			
		( 2,544 )	(	34,272 )
Interest expenses	6(8)	476		784
Interest income		( 665 )	(	1,448 )
Dividend income	6(18)	( 1,623 )	(	729 )
Share-based payment - remuneration	6(13)	4,710		-
Share of profit from equity-accounted associated companies		( 33,903 )	(	18,934 )
Change in assets/liabilities related to operating activities				
Net change in assets related to operating activities				
Financial assets mandatory to be carried at fair value through profit or loss		153	(	131 )
Notes receivable		( 49 )	(	50 )
Accounts receivable		6,518		67,320
Accounts receivable - related parties		1,814		7,279
Other receivables		119		664
Inventory		( 4,962 )	(	2,103 )
Prepayments		( 2,149 )	(	2,394 )
Other current assets		1,060		243
Net change in liabilities related to operating activities				
Financial liabilities held for trading		( 1,211 )	(	1,246 )
Contractual liabilities		14,970		30,677
Notes payable		-	(	724 )
Accounts payable		5,122	(	41,464 )
Accounts payable - related parties		( 29,553 )	(	50,625 )
Other payables		( 7,453 )	(	9,030 )
Other payables - related parties		309	(	76 )
Liability reserves		( 2,493 )	(	454 )
Other current liabilities		217		1,972
Cash inflow from operating activities		<u>184,256</u>		<u>398,390</u>
Interests received		665		1,448
Dividends received		30,756		25,039
Interests paid	6(8)	( 476 )	(	784 )
Income tax paid		( 24,095 )	(	47,640 )
Net cash inflow from operating activities		<u>191,106</u>		<u>376,453</u>
<u>Cash flow from investing activities</u>				
Acquisition of financial assets at fair value through profit or loss		( 179 )	(	34,656 )
Disposal of financial assets at fair value through profit or loss		3,865		-
Decrease in restricted assets		45		22
Acquisition of equity-accounted investments		( 27,951 )	(	673 )
Acquisition of property, plant, and equipment	6(24)	( 11,290 )	(	8,818 )
Acquisition of intangible assets		( 5,533 )	(	-
(Increase) decrease in guarantee deposits paid		( 12,848 )	(	24 )
Net cash outflow from investing activities		<u>( 53,891 )</u>	(	<u>44,101 )</u>
<u>Cash flow from financing activities</u>				
Repayment of lease principal	6(8)	( 16,862 )	(	11,794 )
Cash dividends paid	6(16)	( 132,049 )	(	130,048 )
Net cash outflow from financing activities		<u>( 148,911 )</u>	(	<u>141,842 )</u>
Exchange rate impact		( 4,495 )	(	4,276 )
Increase (decrease) in cash and cash equivalents in the current period		( 16,191 )		186,234
Opening cash and cash equivalents balance	6(1)	408,555		222,321
Closing cash and cash equivalents balance	6(1)	<u>\$ 392,364</u>	\$	<u>408,555</u>

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

Chairman: Chuang, Yung-Shun

Manager: Wang, Feng-Hsiang

Head of Accounting: Yang, Hsiang-Chih



**Onyx Healthcare Inc.**  
**Comparison of Existing and Revised**  
**“Procedure for Board of Directors Meetings”**

Amended clause	Existing clause	Explanation
<p>Article 7  Board meetings of the Company <u>that are to be convened by the Chairman shall be</u> chaired by the Chairman. However, the first meeting of a newly elected board shall be convened by the director who receives the highest number of votes at the shareholder meeting, whereas the role of meeting chairperson shall be assumed by the convener. If two or more directors are equally eligible to serve as convener, one shall be elected among themselves to serve as convener.  <u>If a board meeting is convened with the consent of more than half of the board under any of the conditions described in Paragraph 4, Article 203 or Paragraph 3, Article 203-1 of The Company Act, the participating directors shall appoint one among themselves to serve as chairperson.</u></p> <p>If the Chairman is on leave or is unable to exercise duties for any reason, the Vice Chairman will act on his behalf; if there is no Vice Chairman or if the Vice Chairman is also on leave or is unable to exercise duties for any reason, the Chairman may appoint one managing director to assume acting duty; if there is no managing director, one of the directors will be appointed to perform acting duty; if no delegate is appointed by the Chairman, one shall be appointed among the managing directors or directors to serve acting duty.</p>	<p>Article 7  Board meetings of the Company <u>shall be</u> convened <u>and</u> chaired by the Chairman. However, the first meeting of a newly elected board shall be convened by the director who receives the highest number of votes at the shareholder meeting, whereas the role of meeting chairperson shall be assumed by the convener. If two or more directors are equally eligible to serve as convener, one shall be elected among themselves to serve as convener.</p> <p>If the Chairman is on leave or is unable to exercise duties for any reason, the Vice Chairman will act on his behalf; if there is no Vice Chairman or if the Vice Chairman is also on leave or is unable to exercise duties for any reason, the Chairman may appoint one managing director to assume acting duty; if there is no managing director, one of the directors will be appointed to perform acting duty; if no delegate is appointed by the Chairman, one shall be appointed among the managing directors or directors to serve acting duty.</p>	<p>I. Revised wording in Paragraph 1 to conform to Article 10 of Regulations Governing Procedure for Board of Directors Meetings of Public Companies.</p> <p>II. Adjusted and added Paragraph 2 to conform to the latest amendments to Paragraph 4, Article 203 and Article 203-1 of The Company Act, which requires attending directors to appoint one among themselves to serve as chairperson for board meetings that are convened with the consent of more than half of the board (including the first meeting of each new board, which is to be convened with the consent of more than half of elected directors).</p> <p>III. Renumbered policy terms.</p>

Amended clause	Existing clause	Explanation
<p>Article 11 Omitted Paragraphs 1 and 2. If the number of attending directors falls to less than half the initial number while the board meeting is in progress, the chairperson shall suspend the meeting at the request of remaining directors and proceed according to Paragraph <u>5</u>, Article 8 of the Rules.</p>	<p>Article 11 Omitted Paragraphs 1 and 2. If the number of attending directors falls to less than half the initial number while the board meeting is in progress, the chairperson shall suspend the meeting at the request of remaining directors and proceed according to Paragraph <u>3</u>, Article 8 of the Rules.</p>	<p>Adjusted number of the referred term.</p>
<p>Article 12 The following issues shall be raised for discussion in board meetings: I. Operational plans of the Company. II. Annual financial reports and <u>second-quarter financial reports that are subject to CPA's audit.</u>  Omitted from this point onwards.</p>	<p>Article 12 The following issues shall be raised for discussion in board meetings: I. Operational plans of the Company. II. Annual financial reports and <u>semi-annual financial reports. This excludes semi-annual financial reports that do not need to be audited by a CPA according to law.</u>  Omitted from this point onwards.</p>	<p>Adjusted Subparagraph 2, Paragraph 1 to conform to the latest amendments to Article 14-5 of the Securities and Exchange Act.</p>
<p>Article 15 Paragraph 1 is unchanged. <u>A director would be considered to hold self interest in a topic raised in the meeting if the director's spouse, 2nd-degree direct relative or closer, or any of the director's controlled or controlling entities holds stake in the said topic.</u>  When making board resolutions, directors who are prohibited from exercising voting rights under the preceding Paragraph shall be subject to the treatments outlined in Paragraph 2, Article 180 of The Company Act, which applies mutatis mutandis to Paragraph <u>4</u>, Article 206.</p>	<p>Article 15 Paragraph 1 is unchanged.  When making board resolutions, directors who are prohibited from exercising voting rights under the preceding Paragraph shall be subject to the treatments outlined in Paragraph 2, Article 180 of The Company Act, which applies mutatis mutandis to Paragraph <u>3</u>, Article 206.</p>	<p>Added Paragraph 2 and renumbered Paragraph 2 to Paragraph 3 with wordings revised to conform to Paragraph 3, Article 206 of The Company Act.</p>
<p>Article 19 Establishment of the conference rules is subject to approval by the Company's board of directors and acknowledgment in shareholder meeting. The board of directors can be authorized to make subsequent amendments as deemed necessary. <u>The rules were established on April 30, 2015.</u> <u>The 1st amendment was made on February 23, 2016.</u> <u>The 2nd amendment was made on August 3, 2020.</u></p>	<p>Article 19 Establishment of the conference rules is subject to approval by the Company's board of directors and acknowledgment in shareholder meeting. The board of directors can be authorized to make subsequent amendments as deemed necessary.</p>	<p>Added dates of establishment and amendment (during board meeting held on August 3, 2020).</p>

**Onyx Healthcare Inc.**  
**Comparison of Existing and Revised “Business Integrity Procedures and Behavioral Guidelines”**

Amended clause	Existing clause	Explanation
<p>Article 5 <u>Accountable Unit and Duties</u>  The Company designates <u>the President's Office</u> (referred to as the Accountable Unit) as the unit responsible for the amendment, execution, interpretation, and consultation of the procedures and behavioral guidelines, as well as the supervision of related regulatory reporting and filing works. The unit shall <u>be supported with adequate resources and competent personnel</u>, operate directly under the board of directors with respect to the following duties, and is required to make regular reports <u>(at least once a year)</u> to the board:</p> <p>1 Incorporating integrity and moral values into the Company's operating strategies, and establishment of integrity assurance and fraud prevention measures in accordance with laws.</p> <p>2. <u>Regular analysis and assessment on business activities that are prone to risk of dishonest conducts, and</u> implementation of measures against dishonest conducts, <u>including</u> standard operating procedures and behavioral guidelines.</p> <p>3. Planning of internal organization and duties, and implementation of check and balance for business activities that present higher risk of dishonest conduct.</p> <p>4. Coordination of integrity policy awareness and training programs.</p> <p>5 Establishment of a whistleblowing system and ensuring the effectiveness of its execution.</p> <p>6. Assist the board of directors and the management in assessing the effectiveness of existing integrity practices and preventions, assess compliance of business procedures, and make regular reports to the board of directors.</p> <p><u>7. Prepare and retain documents on business integrity policy, compliance statement, as well as enforcement, commitment, and execution of such policy.</u></p>	<p>Article 5 Accountable Unit  The Company designates <u>Accounting Department</u> (referred to as the Accountable Unit) as the unit responsible for the amendment, execution, interpretation, and consultation of the procedures and behavioral guidelines, as well as the supervision of related regulatory reporting and filing works. The unit shall operate directly under the board of directors with respect to the following duties, and is required to make regular reports to the board:</p> <p>1 Incorporating integrity and moral values into the Company's operating strategies, and establishment of integrity assurance and fraud prevention measures in accordance with laws.</p> <p>2. Implementation of measures against dishonest conducts, <u>including</u> standard operating procedures and behavioral guidelines.</p> <p>3. Planning of internal organization and duties, and implementation of check and balance for business activities that present higher risk of dishonest conduct.</p> <p>4. Coordination of integrity policy awareness and training programs.</p> <p>5. Establishment of a whistleblowing system and ensuring the effectiveness of its execution.</p> <p>6. Assist the board of directors and the management in assessing the effectiveness of existing integrity practices and preventions, assess compliance of business procedures, and make regular reports to the board of directors.</p>	<p>I. Revised article title and the initial paragraph to conform to Article 17 of "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies," which requires the Accountable Unit to be supported with adequate resources and competent personnel, and that reports are to be made to the board of directors at least once a year.</p> <p>II. Revised and renumbered Subparagraph 2 to conform to Article 17 of "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies," which mentions the Accountable Unit's duty to perform regular analysis and assessment on business activities that are prone to risk of dishonesty.</p> <p>III. Added Subparagraph 7 to conform to Article 8 of "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies," which requires documents to be properly produced and maintained on</p>

Amended clause	Existing clause	Explanation
		integrity-related policies, statements, and commitments, as well as the execution of such.
<p>Article 11 <u>Avoidance of Conflicting Interests</u>  If a director, supervisor, manager, board meeting participant, or any of the corporate entity they represent is considered a stakeholder <u>to a topic discussed</u> in board meeting, the party shall state the stakes involved during the current meeting session and shall disassociate from all discussions and voting if the stakes are in conflict against the Company's interests. In addition, the concerned party may not exercise voting rights on behalf of other directors. Directors shall also exercise self-discipline and refrain from backing up each other in inappropriate ways. <u>A director would be considered to hold self-interest in a topic raised in the meeting if the director's spouse, 2nd-degree direct relative or closer, or any of the director's controlled or controlling entities holds stake in the said topic.</u>  When performing corporate duties, insiders are required to report to the line manager and the Accountable Unit any conflict of interest between them and the entities they represent, or any situation that puts them or their spouse, parent, child or related party in a position to receive improper gains. The line manager shall offer appropriate guidance under such circumstances. Insiders are not allowed to spend corporate resources on commercial activities that are unrelated to the Company, and shall not engage in external commercial activities to the extent that compromises work performance within the Company.</p>	<p>Article 11 <u>Avoidance of Conflicting Interests</u>  If a director, supervisor, manager, board meeting participant, or any of the corporate entity they represent is considered a stakeholder <u>to a motion raised</u> in board meeting, the party shall state the stakes involved during the current meeting session and shall disassociate from all discussions and voting if the stakes are in conflict against the Company's interests. In addition, the concerned party may not exercise voting rights on behalf of other directors. Directors shall also exercise self-discipline and refrain from backing up each other in inappropriate ways.   When performing corporate duties, insiders are required to report to the line manager and the Accountable Unit any conflict of interest between them and the entities they represent, or any situation that puts them or their spouse, parent, child or related party in a position to receive improper gains. The line manager shall offer appropriate guidance under such circumstances. Insiders are not allowed to spend corporate resources on commercial activities that are unrelated to the Company, and shall not engage in external commercial activities to the extent that compromises work performance within the Company.</p>	<p>I. Revised wording in Paragraph 1 of this Article to conform to Paragraph 1, Article 16 of Regulations Governing Procedure for Board of Directors Meetings of Public Companies.  II. Added Paragraph 2 to the Article to conform to Paragraph 3, Article 206 of The Company Act, which states that a director would be considered to hold self interest in a motion discussed during board meeting if the director's spouse, 2nd-degree direct relative or closer, or any of the director's controlled or controlling entities holds stake in the said motion.  III. Renumbered Paragraph 2 to Paragraph 3 with no change to the content.  IV. Renumbered Paragraph 3 to Paragraph 4 with no change to the content.</p>
<p>Article 13 <u>Prohibition Against Unfair Competition</u>  The Company shall comply with fair trading and competition laws when engaging in business activities, and shall avoid actions such as: price fixing, bid rigging, use of output restrictions or</p>	<p>Article 13 <u>Prohibition Against Leakage of Commercial Secrets</u>  The Company shall comply with fair trading and competition laws when engaging in business activities, and shall avoid actions such as: price fixing, bid rigging, use of output restrictions or</p>	<p>Revised article title to conform to Article 15 of "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies," which</p>

Amended clause	Existing clause	Explanation
quota, or market sharing/division by allocating customers, suppliers, territories, or business activities.	quota, or market sharing/division by allocating customers, suppliers, territories, or business activities.	prohibits against unfair competition.
<p data-bbox="92 300 630 376"><u>Article 14 Preventing Product or Service Damage to Stakeholders</u></p> <p data-bbox="92 376 630 741">The Company shall constantly monitor laws and international standards that are relevant to the products and services offered, and announce key points internally so that employees are aware of and engaged in maintaining transparency and safety throughout research, development, procurement, manufacturing, offering and sale of products and services.</p> <p data-bbox="92 741 630 1070">The Company shall implement and disclose on its website various policies for protecting consumers' or stakeholders' interests, and take progressive steps toward preventing products or services from causing direct or indirect harm to consumers' or stakeholders' interests, health, and safety.</p> <p data-bbox="92 1070 630 1473">The Company shall recover its product or cease service within 30 days if there is any media coverage or evidence to suggest that the product or service poses concern to the safety and health of consumers or other stakeholders. In which case, the Company shall conduct investigations to determine whether the claims are true and propose improvement plans accordingly.</p> <p data-bbox="92 1473 630 1659">The Accountable Unit shall report to the board of directors of the above occurrence along with details on how they are handled and the improvement measures undertaken.</p>	<p data-bbox="630 300 1161 376"><u>Article 14 Prohibition Against Insider Trading</u></p> <p data-bbox="630 376 1161 741">The Company shall constantly monitor laws and international standards that are relevant to the products and services offered, and announce key points internally so that employees are aware of and engaged in maintaining transparency and safety throughout research, development, procurement, manufacturing, offering and sale of products and services.</p> <p data-bbox="630 741 1161 1070">The Company shall implement and disclose on its website various policies for protecting consumers' or stakeholders' interests, and take progressive steps toward preventing products or services from causing direct or indirect harm to consumers' or stakeholders' interests, health, and safety.</p> <p data-bbox="630 1070 1161 1473">The Company shall recover its product or cease service within 30 days if there is any media coverage or evidence to suggest that the product or service poses concern to the safety and health of consumers or other stakeholders. In which case, the Company shall conduct investigations to determine whether the claims are true and propose improvement plans accordingly.</p> <p data-bbox="630 1473 1161 1659">The Accountable Unit shall report to the board of directors of the above occurrence along with details on how they are handled and the improvement measures undertaken.</p>	<p data-bbox="1161 300 1506 674">Revised article title to conform to Article 16 of "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" regarding prevention of product and service damage to stakeholders.</p>
<p data-bbox="92 1659 630 1736"><u>Article 15 Prohibition Against Insider Trading and Rules of Confidentiality</u></p> <p data-bbox="92 1736 630 2134">All external institutions and personnel that engage the Company in various arrangements such as business merger, divestment, share acquisition, share transfer, memorandum of understanding, strategic alliance, business cooperation or major contract are required to sign a confidentiality agreement/commitment that prevents them from revealing the Company's commercial secret or material information to others or using</p>	<p data-bbox="630 1659 1161 1697"><u>Article 15 Confidentiality Agreement</u></p> <p data-bbox="630 1697 1161 2134">All external institutions and personnel that engage the Company in various arrangements such as business merger, divestment, share acquisition, share transfer, memorandum of understanding, strategic alliance, business cooperation or major contract are required to sign a confidentiality agreement/commitment that prevents them from revealing the Company's commercial secret or material information to others or using</p>	<p data-bbox="1161 1659 1506 1848">Revised article title considering that prohibition against insider trading is mentioned in Paragraph 1.</p>

Amended clause	Existing clause	Explanation
such information without the Company's consent..	such information without the Company's consent..	
<p>Article 16 <u>Compliance and Announcement of Business Integrity Policy</u>  <u>The Company shall request its directors and senior management to issue a statement of commitment for compliance with the integrity policy, and state in the term of employment that all employees are bound to comply with the integrity policy.</u></p> <p>The Company shall communicate its business integrity policy through internal rules, annual reports, website and documents, and convey during public occasions such as product release conference, investor seminar etc. so that suppliers, customers and all business partners are able to develop clear understanding of the Company's integrity philosophy and rules.</p>	<p>Article 16 <u>External Announcement of Business Integrity Policy</u></p> <p>The Company shall communicate its business integrity policy through internal rules, annual reports, website and documents, and convey during public occasions such as product release conference, investor seminar etc. so that suppliers, customers and all business partners are able to develop clear understanding of the Company's integrity philosophy and rules.</p>	<p>I. Added Paragraph 1 to the Article and revised article title to conform to Article 8 of "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies," which requires all TWSE/TPEX listed companies to have directors and senior managers issue a statement of commitment to comply with the business integrity policy, and state in the term of employment that all employees are required to comply with the business integrity policy.</p> <p>II. Renumbered existing terms to Paragraph 2 with no change to the content.</p>
<p>Article 21-1 <u>Reporting Process</u>  The Company encourages insiders and outsiders to report dishonest and inappropriate conducts. However, insiders who make a false report or make an accusation of ill-intended purposes shall be disciplined or even dismissed depending on severity.  The Company shall implement misconduct reporting mailboxes on its Internet and Intranet websites, and disclose them to insiders as well as outsiders. Informant is required to provide at least the following information when reporting misconduct:  1. <u>The informant's name and ID card number, or anonymous if the informant chooses,</u> and address, phone number and e-mail that can be used to contact the informant.  2. Name or other identifiable</p>	<p>Article 21-1 <u>Reporting Process</u>  The Company encourages insiders and outsiders to report dishonest and inappropriate conducts. However, insiders who make a false report or make an accusation of ill-intended purposes shall be disciplined or even dismissed depending on severity.  The Company shall implement misconduct reporting mailboxes on its Internet and Intranet websites, and disclose them to insiders as well as outsiders. Informant is required to provide at least the following information when reporting misconduct:  1. The informant's name and address, phone number and e-mail that can be used to contact the informant.  2. Name or other identifiable</p>	<p>Revised the context of Subparagraph 1, Paragraph 2 and Paragraph 4 of the Article, and revised wording of Subparagraph 3 to conform to Article 23 of "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies," which allows anonymous reporting of misconducts and requires appropriate actions to be taken after completing investigation.</p>

Amended clause	Existing clause	Explanation
<p>information of the offender.</p> <p>3. Facts that can be investigated into. Personnel who have been assigned to handle misconduct reports shall issue written commitments to maintain confidentiality of the informant's identity and details of the report. The Company shall issue a commitment to protect informants from retaliation as a result of their report.</p> <p><u>Reported misconducts shall be handled</u> by the Accountable Unit in the following procedures:</p> <p>1. Reported misconducts that involve general employees shall be escalated to the head of department, whereas reported misconducts that involve directors or senior managers are to be escalated to independent directors.</p> <p>2. Upon receiving report, the dedicated team and the abovementioned heads or personnel shall proceed to investigate facts immediately, and may seek help from compliance or other departments if necessary.</p> <p>3. If the reported misconduct is verified to constitute violation of law or the Company's business integrity policy or rules, the violator shall be ordered to cease and desist such conduct, and subjected to disciplinary action. <u>Violators may also be reported to the authority, judicial department, or</u> subjected to damage claims through legal proceeding if necessary to protect the Company's interests and reputation.</p> <p>4. Details including the misconduct report, investigation process and findings shall be maintained in written or electronic documents and maintained for five years. Should any litigation arise in relation to the reported misconduct before expiry of the retention period, the above documents will have to be retained until the litigation is concluded.</p> <p>5. For every verified misconduct report, the department concerned will be required to review internal control policies and procedures and propose improvement measures to prevent similar occurrence in the future.</p> <p>6. The dedicated team shall report to the board of directors the reported</p>	<p>information of the offender.</p> <p>3. Facts that can be investigated into. Personnel who have been assigned to handle misconduct reports shall issue written commitments to maintain confidentiality of the informant's identity and details of the report. The Company shall issue a commitment to protect informants from retaliation as a result of their report.</p> <p><u>Reported misconducts are handled by</u> the Accountable Unit in the following procedures:</p> <p>1. Reported misconducts that involve general employees shall be escalated to the head of department, whereas reported misconducts that involve directors or senior managers are to be escalated to independent directors.</p> <p>2. Upon receiving report, the dedicated team and the abovementioned heads or personnel shall proceed to investigate facts immediately, and may seek help from compliance or other departments if necessary.</p> <p>3. If the reported misconduct is verified to constitute violation of law or the Company's business integrity policy or rules, the violator shall be ordered to cease and desist such conduct, and subjected to disciplinary action. Violators may also be subjected to damage claims through legal proceeding if necessary to protect the Company's interests and reputation.</p> <p>4. Details including the misconduct report, investigation process and findings shall be maintained in written or electronic documents and maintained for five years. Should any litigation arise in relation to the reported misconduct before expiry of the retention period, the above documents will have to be retained until the litigation is concluded.</p> <p>5. For every verified misconduct report, the department concerned will be required to review internal control policies and procedures and propose improvement measures to prevent similar occurrence in the future.</p> <p>6. The dedicated team shall report to the board of directors the reported</p>	

Amended clause	Existing clause	Explanation
misconduct along with details on how they are handled and the improvement measures undertaken..	misconduct along with details on how they are handled and the improvement measures undertaken.	
<p>Article 23 <u>Internal Awareness Promotion, Reward, Disciplinary, and Grievance Systems</u></p> <p><u>The Accountable Unit shall promote internal awareness once a year and have Chairman, President, or senior managers convey the importance of integrity with directors, employees, and agents.</u></p> <p>The Company shall incorporate business integrity into employees' performance evaluation and the human resource policy, and have clear and effective disciplinary/reward systems in place. Insiders who commit severe violation against the integrity principles shall be dismissed according to laws or the Company's personnel policy.</p> <p>The Company shall disclose on its Intranet the title and name of any employee who violates the integrity principle, the date of violation, the nature of violation and handling progress.</p>	<p>Article 23 <u>Reward, Disciplinary, and Grievance Systems</u></p> <p>The Company shall incorporate business integrity into employees' performance evaluation and the human resource policy, and have clear and effective disciplinary/reward systems in place. Insiders who commit severe violation against the integrity principles shall be dismissed according to laws or the Company's personnel policy.</p> <p>The Company shall disclose on its Intranet the title and name of any employee who violates the integrity principle, the date of violation, the nature of violation and handling progress.</p>	<p>Revised article title considering that promotion of internal awareness is mentioned in Paragraph 1.</p>
<p>Article 24 <u>Implementation</u></p> <p>The procedures and behavioral guidelines shall be implemented with the board of directors' resolution and shall be reported to the Audit Committee and shareholders. The same applies to subsequent revisions.</p> <p>Independent directors' opinions shall be fully taken into consideration when the procedures and behavioral guidelines are raised for discussion among the board of directors. All objections and qualified opinions expressed by independent directors shall be detailed in board of directors meeting minutes. If the independent director is unable to express objections or qualified opinions in person during board meeting, the opinion shall be expressed in writing in advance and recorded in board meeting minutes unless there is justifiable reason not to do so.</p> <p>The above rules were established on June 6, 2016.</p> <p>The 1st amendment was made on April 23, 2019.</p> <p><u>The 2nd amendment was made on August 3, 2020.</u></p>	<p>Article 24 <u>Implementation</u></p> <p>The procedures and behavioral guidelines shall be implemented with the board of directors' resolution and shall be reported to the Audit Committee and shareholders. The same applies to subsequent revisions.</p> <p>Independent directors' opinions shall be fully taken into consideration when the procedures and behavioral guidelines are raised for discussion among the board of directors. All objections and qualified opinions expressed by independent directors shall be detailed in board of directors meeting minutes. If the independent director is unable to express objections or qualified opinions in person during board meeting, the opinion shall be expressed in writing in advance and recorded in board meeting minutes unless there is justifiable reason not to do so.</p> <p>The above rules were established on June 6, 2016.</p> <p>The 1st amendment was made on April 23, 2019.</p>	<p>Added date of amendment (during board meeting held on August 3, 2020).</p>



**Onyx Healthcare Inc.**  
**Comparison of existing and revised “Rules for Election of Directors”**

Amended clause	Existing clause	Explanation
<p>Article 5 Election of directors shall proceed according to the nomination system mentioned in Article 192-1 of The Company Act.</p> <p>Paragraph 2,3 is unchanged.</p> <p>If the number of independent directors falls short of the requirements stated in Paragraph 1, Article 14-2 of the Securities and Exchange Act, a by-election shall be held in the upcoming shareholder meeting. If all independent directors are dismissed from duty, the Company shall convene an extraordinary shareholder meeting within 60 days from the date of occurrence to elect candidates for the shortfall.</p>	<p>Article 5 Election of <u>independent</u> directors shall <u>all</u> proceed according to the nomination system mentioned in Article 192-1 of The Company Act. <u>To facilitate proper review of independent director candidates' eligibility, academic/career background, and criteria mentioned in Article 30 of The Company Act, no documentary proof other than those mentioned in the Act shall be used. The outcome of the review shall be presented to shareholders, and serve as reference to electing suitable independent directors.</u></p> <p>Paragraph 2,3 is unchanged.</p> <p>If the number of independent directors falls short of the requirements stated in Paragraph 1, Article 14-2 of the Securities and Exchange Act, <u>or Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings, or Subparagraph 8 of Taipei Exchange "Standards for Determining Unsuitability for TPEX Listing under Article 10, Paragraph 1 of the Taipei Exchange Rules Governing the Review of Securities for Trading on the TPEX,"</u> a by-election shall be held in the upcoming shareholder meeting. If all independent directors are dismissed from duty, the Company shall convene an extraordinary shareholder meeting within 60 days from the date of occurrence to elect candidates for the shortfall.</p>	<p>Amended Paragraph 1 to conform to the simplified director nomination procedures stated in Article 192-1 of The Company Act.</p> <p>Adjusted Paragraph 3 to comply with Financial Supervisory Commission's Correspondence No. Jin-Guan-Zheng-Fa-Zi-1070345233 sated December 19, 2018, which requires all TWSE and TPEX listed companies to appoint independent directors.</p>
Deleted.	<p><u>Article 10</u>  <u>If the candidate is also a shareholder, voters will have to specify both shareholder account name and number in the "candidate" column of the ballot.</u>  <u>If the candidate is not a shareholder, the candidate's name and ID card number will have to be specified instead.</u>  <u>However, if the candidate is a government institution or a corporate shareholder, the name of the government institution or corporation shall be</u></p>	<p>Financial Supervisory Commission's instruction No. Jin-Guan-Zheng-Jiao-Zi-1080311451 dated April 25, 2019, requires all TWSE and TPEX listed companies to adopt a candidate nomination system for director and supervisor elections from 2021 onwards, in which</p>

Amended clause	Existing clause	Explanation
	<p><u>specified in the "candidate" field of the ballot; alternatively, voters may also specify the name of the government institution or corporation and the name of its representative. If there are multiple representatives, the names of all representatives shall be specified in the ballot.</u></p>	<p>shareholders will elect from a list of director candidates. Given the fact that the candidates list already details the name and academic/career background of each candidate and is distributed to shareholders prior to shareholder meeting, it is no longer necessary to identify the candidates using shareholder account number or ID number, and this Article is deleted as a result.</p>
<p>Article 10 Ballots are voided in any of the following circumstances: I. Use of ballot that is not prepared by <u>authorized convener</u>. II. Casting of blank ballot into the ballot box. III. Ballots with illegible writing or are altered. IV. The identity of the candidate specified in ballot does not match the candidates list.  V. Ballots that contain writings other than allocated votes.</p>	<p>Article <u>11</u> Ballots are voided in any of the following circumstances: I. Use of ballot that is not prepared by <u>the board of directors</u>. II. Casting of blank ballot into the ballot box. III. Ballots with illegible writing or are altered. IV. <u>Where the candidate is a shareholder, the written identity and shareholder account number do not match the shareholder registry; or where the candidate is a non-shareholder, the written name and identity document number do not match the candidate's identity proof.</u> V. Ballots that contain writings other than <u>the candidate's account name, shareholder account number (or identity document number), and allocated votes.</u> <del>VI. The candidate's name written in the ballot coincides with another shareholder, but no shareholder account number or identity document number is provided for identification.</del></p>	<p>Adjusted article numbering to accommodate deletion of Article 10.  Article 173 of The Company Act. Financial Supervisory Commission's instruction No. Jin-Guan-Zheng-Jiao-Zi-1080311451 dated April 25, 2019, requires all TWSE and TPEX listed Subparagraphs 4 and 5 of this Article were adjusted, while Subparagraph 6 was deleted to conform to the instruction.</p>
<p>Article <u>11</u>  Omitted</p>	<p>Article <u>12</u>  Omitted</p>	<p>Deleted Article 10 and adjusted numbering</p>
<p>Article <u>12</u> The procedures shall take effect once approved during shareholder meeting; the same applies to all subsequent amendments.</p>	<p>Article <u>13</u> The procedures shall take effect once approved during shareholder meeting; the same applies to all subsequent amendments.</p>	<p>Adjusted article numbering to accommodate deletion of Article 10. Added amendment date</p>

Amended clause	Existing clause	Explanation
<u>The rules were established on April 30, 2015.</u> <u>The 1st amendment was made on February 23, 2016.</u> <u>The 2nd amendment was made on May 25, 2021.</u>		

**Onyx Healthcare Inc.**  
**Comparison of existing and revised “Articles of Incorporation.”**

Amended clause	Existing clause	Explanation
<p>Article 2  Business activities of the Company are as follows:</p> <ol style="list-style-type: none"> <li>1. CC01080 Electronic Parts and Components Manufacturing</li> <li>2. CC01101 Restrained Telecom Radio Frequency Equipments and Materials Manufacturing</li> <li>3. CC01110 Computers and Peripheral Equipment Manufacturing</li> <li>4. CC01120 Data Storage Media Manufacturing and Duplicating</li> <li>5. CE01010 Precision Instruments Manufacturing</li> <li>6. <u>CF01011 Medical Equipments Manufacturing</u></li> <li>7. E605010 Computing Equipments Installation Construction</li> <li>8. EZ05010 Apparatus Installation Construction</li> <li>9. F108031 Wholesale of Drugs, Medical Goods</li> <li>10. F113030 Wholesale of Precision Instruments</li> <li>11. F118010 Wholesale of Computer Software</li> <li>12. F119010 Wholesale of Electronic Materials</li> <li>13. F208031 Retail Sale of Medical Equipments</li> <li>14. F213030 Retail Sale of Computing and Business Machinery Equipment</li> <li>15. F213040 Retail Sale of Precision Instruments</li> <li>16. F214990 Retail Sale of Other Transport Equipment and Parts</li> <li>17. F218010 Retail Sale of Computer Software</li> <li>18. F219010 Retail Sale of Electronic Materials</li> <li>19. F401010 International Trade</li> <li>20. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import</li> <li>21. F601010 Intellectual Property</li> <li>22. I301010 Software Design Services</li> <li>23. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.</li> </ol>	<p>Article 2  Business activities of the Company are as follows:</p> <ol style="list-style-type: none"> <li>1. CC01080 Electronic Parts and Components Manufacturing</li> <li>2. CC01101 Restrained Telecom Radio Frequency Equipments and Materials Manufacturing</li> <li>3. CC01110 Computers and Peripheral Equipment Manufacturing</li> <li>4. CC01120 Data Storage Media Manufacturing and Duplicating</li> <li>5. CE01010 Precision Instruments Manufacturing</li> <li>6. E605010 Computing Equipments Installation Construction</li> <li>7. EZ05010 Apparatus Installation Construction</li> <li>8. F108031 Wholesale of Drugs, Medical Goods</li> <li>9. F113030 Wholesale of Precision Instruments</li> <li>10. F118010 Wholesale of Computer Software</li> <li>11. F119010 Wholesale of Electronic Materials</li> <li>12. F208031 Retail Sale of Medical Equipments</li> <li>13. F213030 Retail Sale of Computing and Business Machinery Equipment</li> <li>14. F213040 Retail Sale of Precision Instruments</li> <li>15. F214990 Retail Sale of Other Transport Equipment and Parts</li> <li>16. F218010 Retail Sale of Computer Software</li> <li>17. F219010 Retail Sale of Electronic Materials</li> <li>18. F401010 International Trade</li> <li>19. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import</li> <li>20. F601010 Intellectual Property</li> <li>21. I301010 Software Design Services</li> <li>22. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.</li> </ol>	<p>Added business activities amendments to better support company operations.</p>

Amended clause	Existing clause	Explanation
<p>Article 30  This Articles of Incorporation was established on January 25, 2010, and shall take effect once approved by the authority. The same applies to all subsequent amendments.  The 1st amendment was made on December 8, 2011.  The 2nd amendment was made on June 28, 2013.  The 3rd amendment was made on April 30, 2015.  The 4th amendment was made on February 23, 2016.  The 5th amendment was made on May 23, 2017.  The 6th amendment was made on May 29, 2018.  The 7th amendment was made on September 18, 2018.  The 8th amendment was made on May 29, 2019.  <u>The 9th amendment was made on May 25, 2021.</u></p>	<p>Article 30  This Articles of Incorporation was established on January 25, 2010, and shall take effect once approved by the authority. The same applies to all subsequent amendments.  The 1st amendment was made on December 8, 2011.  The 2nd amendment was made on June 28, 2013.  The 3rd amendment was made on April 30, 2015.  The 4th amendment was made on February 23, 2016.  The 5th amendment was made on May 23, 2017.  The 6th amendment was made on May 29, 2018.  The 7th amendment was made on September 18, 2018.  The 8th amendment was made on May 29, 2019.</p>	<p>Added amendment date.</p>

## **Articles of Incorporation of Onyx Healthcare Inc.**

### Chapter One General Provisions

- Article 1: The Company is incorporated according to The Company Act, and has been named Onyx Healthcare Inc.
- Article 2: Business activities of the Company are as follows:
1. CC01080 Electronic Parts and Components Manufacturing
  2. CC01101 Restrained Telecom Radio Frequency Equipments and Materials Manufacturing
  3. CC01110 Computers and Peripheral Equipment Manufacturing
  4. CC01120 Data Storage Media Manufacturing and Duplicating
  5. CE01010 Precision Instruments Manufacturing
  6. E605010 Computing Equipments Installation Construction
  7. EZ05010 Apparatus Installation Construction
  8. F108031 Wholesale of Drugs, Medical Goods
  9. F113030 Wholesale of Precision Instruments
  10. F118010 Wholesale of Computer Software
  11. F119010 Wholesale of Electronic Materials
  12. F208031 Retail Sale of Medical Equipments
  13. F213030 Retail Sale of Computing and Business Machinery Equipment
  14. F213040 Retail Sale of Precision Instruments
  15. F214990 Retail Sale of Other Transport Equipment and Parts
  16. F218010 Retail Sale of Computer Software
  17. F219010 Retail Sale of Electronic Materials
  18. F401010 International Trade
  19. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import
  20. F601010 Intellectual Property
  21. I301010 Software Design Services
  22. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3: The Company may offer endorsement and guarantee to external parties as needed for business activities or by invested businesses, subject to the Company's endorsement and guarantee procedures. Except for the circumstances mentioned in Article 15 of The Company Act, the Company shall not lend capital to shareholders or any third party.
- Article 4: The Company may invest in other businesses as deemed necessary, and may become a limited-liability shareholder of another company subject to board of directors' resolution. Sum of the Company's investments is not subject to the limitations stated in Article 13 of The Company Act (i.e., 40% of paid-up capital).
- Article 5: The Company is headquartered in New Taipei City, and may establish domestic or foreign branches subject to board of directors' approval.
- Article 6: Public announcements of the Company shall be duly made in accordance with Article 28 of The Company Act.

## Chapter Two Share Capital

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

## Chapter Three Shareholders Meeting

- Article 12: The Company holds two types of shareholder meeting: an annual general meeting and extraordinary shareholder meeting. Annual general meetings are convened by the board of directors once a year within six months after the end of each financial year. Extraordinary shareholder meetings may be held whenever deemed necessary, subject to compliance with laws.
- Article 13: Convention of an annual general meeting shall be communicated to shareholders

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

- Article 14: If a shareholder is unable to attend the shareholder meeting in person, a proxy can be appointed in accordance with Article 177 of The Company Act by presenting a properly signed/sealed proxy form printed in the Company's prescribed format that specifies in details the scope of delegated authority.  
In addition to the above Paragraph, delegation of proxy attendants shall also comply with "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies."
- Article 15: Shareholders of the Company are entitled to one vote for every share held, except for the circumstances described in Article 179 of The Company Act where shareholders are restricted or prohibited from exercising voting rights.  
When listed on TWSE (TPEX), the Company shall make electronic voting as one of the ways for shareholders to exercise voting rights.
- Article 16: Except otherwise regulated by law or stated in the Articles of Incorporation, a shareholder meeting resolution is passed when more than 50% of all outstanding shares are represented in the meeting, and voted in favor by more than 50% of all voting rights represented at the meeting.
- Article 17: Shareholder meeting resolutions shall be compiled into minutes and signed or sealed by the chairperson. The minutes shall detail the date and venue of the meeting, the chairperson's name, the method of resolution, the proceeding and results of various motions. Minutes are to be distributed to shareholders within 20 days after the meeting and retained for as long as the Company exists.  
Preparation and distribution of meeting minutes above can be made by way of public announcement.

#### Chapter Four Directors and the Audit Committee

- Article 18: The Company has 5 to 9 directors, who are elected in shareholder meetings from persons of adequate capacity. The term of directorship is three years, and is renewable if re-elected. Election of the Company's directors shall proceed using the cumulative method. Each share is vested with voting rights equal to the number of directors to be elected; these voting rights may be concentrated on one candidate or spread across multiple candidates. Candidates receiving the highest number of votes are elected as directors. Any changes to the election process described above shall proceed in accordance with Article 172 of The Company Act and advised to meeting participants in advance in the agenda.  
Amongst the directors chosen above, there shall be no fewer than three independent directors representing no less than one-fifth of the board. Directors are elected using the nomination system, where shareholders vote from a list of director candidates during a shareholder meeting. The nomination shall proceed according to Article 192-1 of The Company Act. Restrictions concerning independent directors' eligibility, shareholding, concurrent employment, nomination, method of election and all other compliance issues are governed by relevant laws of the securities authority.
- Article 18-1: The Company shall comply with the Securities and Exchange Act by assembling an



Audit Committee that consists entirely of independent directors, whose responsibilities are to execute duties mentioned in the Securities and Exchange Act, The Company Act and other laws.

The board of directors may assemble a Remuneration Committee or other functional committees as needed to support business activities.

- Article 19: After public offering, all shares held by directors shall be subject to supervision of the authority and relevant laws.  
The Company may purchase liability insurance policies to insure itself against liabilities of directors and supervisors over the course of their service.
- Article 20: The board of directors shall appoint one Chairman during a board meeting with more than two-thirds of directors present, and with the support of more than half of all attending directors. The Chairman serves as the Company's representative to the outside world.
- Article 21: The Chairman serves as the chairperson for board meetings. If the Chairman is unable to perform duties due to leave of absence or any reason, a delegate shall be appointed in accordance with Article 208 of The Company Act. Directors may appoint other directors to attend board meetings on their behalf by issuing one proxy form per meeting. The proxy form shall specify the scope of delegated authority and each director may represent the presence of one other director only.  
Independent directors may appoint other independent directors to attend meetings on their behalf. A non-independent director cannot represent an independent director in meetings.
- Article 22: Convention of board of directors meeting shall be advised to all directors with detailed agenda at least 7 days in advance. However, meetings can be held in shorter notices in case of emergency. Convention of board meetings can be advised to directors through written correspondence, E-mail or fax.  
Board meetings can be convened by way of video conferencing. Those who participate in the video conference are considered to have attended the meeting in person.
- Article 23: Unless otherwise specified in The Company Act, board of directors meetings are to be convened by the Chairman.  
Unless otherwise specified by law or the Articles of Incorporation, board resolutions are passed only if more than half of total board members are present in a meeting, and are voted in favor by more than half of attending directors.
- Article 24: If the board loses more than one-third of its directors, the board of directors shall convene an extraordinary shareholder meeting within 60 days to elect new members for the shortfall. In which case, the newly elected members shall serve the remaining term of the existing board.  
Should the number of independent directors fall below the required minimum due to resignation, dismissal or expiry of service, the shortfall shall be elected during the next shareholder meeting. If all independent directors are dismissed from duty, the Company shall convene an extraordinary shareholder meeting within the next 60 days to elect for the shortfall.
- Article 25: The Company may remunerate its Chairman and directors for the services rendered, irrespective of the Company's profit performance. The board of directors is

authorized to determine the level of remuneration based on Chairman's/directors' involvement and contribution to the Company's operations, in reference to local and foreign peer levels.

#### Chapter Five Managers

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

#### Chapter Six Accounting

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

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

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

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

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

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

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

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

#### Chapter Seven Additional Rules

Article 29: Any matters that are not addressed in the Articles of Incorporation shall be governed

by The Company Act and relevant regulations.

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

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

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

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

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

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

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

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

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

Onyx Healthcare Inc.

Chairman: Chuang Yung-Shun

## **Onyx Healthcare Inc.**

### **Procedure for Board of Directors Meetings**

#### Article 1

The following rules are established in accordance with Article 2 of "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" to support the role of board of directors in the Company's governance, supervision, and administration.

#### Article 2

Agenda, procedures, minutes' details, announcements, and other issues relating to the Company's board of directors meetings shall proceed according to the Rules.

#### Article 3

The Company convenes board of directors meetings once a quarter.

An agenda will have to be prepared for each board meeting convened. Meetings shall be advised to all directors at least 7 days in advance; however, meetings can be held in shorter notices in case of emergency.

The abovementioned meeting advice can be made in electronic form if consented by the receiving party.

Except in the case of emergency or under circumstances supported by justifiable reasons, all matters listed in Paragraph 1, Article 12 of the Rules must be proposed as part of the agenda, and cannot be raised as a special motion.

#### Article 4

(Meeting advice and information)

The Share Service Department has been designated as the organizer for all board meeting affairs.

The meeting organizer is responsible for outlining board of directors meeting agenda and preparing adequate conference materials, which will be distributed along with the meeting advice.

Directors may request for supplemental information from the meeting organizer if they consider the prepared materials to be inadequate. Directors may resolve to postpone certain discussions if they consider the information presented to them to be inadequate.

#### Article 5

Attendance logs shall be provided during board meetings and signed by all directors present at the meeting for future reference.

Directors are required to attend board meetings personally. Directors who are unable to attend in-person may seek proxy attendance from other directors according to the Articles of Incorporation. Directors who participate in the meeting using video conferencing are considered to have attended in-person.

Directors seeking proxy attendance from another director are required to issue a separate proxy letter for every board meeting, and specify the extent of delegated authority for each motion.

Each proxy attendee, as described in Paragraph 2, may only represent the presence of one absent

director.

Independent directors may appoint other independent directors to attend meetings on their behalf. A non-independent director cannot represent an independent director in meetings.

#### Article 6

The Company's board of directors meetings should be held at the Company's business premises during office hours, or at any other time and place convenient to directors.

#### Article 7

Board meetings of the Company shall be convened and chaired by the Chairman. However, the first meeting of a newly elected board shall be convened by the director who receives the highest number of votes at the shareholder meeting, whereas the role of meeting chairperson shall be assumed by the convener. If two or more directors are equally eligible to serve as convener, one shall be elected among themselves to serve as convener.

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

#### Article 8

When a board of directors meeting is in session, the management department (or the meeting organizer appointed by the board of directors) shall have relevant information available to provide reference for the participating directors.

Personnel from relevant departments or subsidiaries may be called to participate in the board meeting depending on the topics discussed.

Certified public accountants, lawyers, or other professionals may also be invited to express opinions in board meetings if necessary. However, these personnel are to be dismissed during discussion and voting.

The chairperson shall announce commencement of board meeting when the time is due with more than half of all directors present.

If the meeting is due to convene but less than half of board is present, the chairman may postpone the meeting for up to two times. If the number of participants remains insufficient after two postponements, the chairperson can re-convene the meeting according to Paragraph 2, Article 3.

The term "entire board of directors" mentioned above and in Subparagraph 2, Paragraph 2, Article 16 of the Rules shall refer to those who are currently in active duty.

#### Article 9

The entire proceeding of the Company's board of directors meetings shall be recorded in video or audio, and kept for at least 5 years. The footage can be stored in electronic form.

Should any litigation arise with respect to a specific board of directors meeting resolution before the abovementioned expiry, the relevant recordings shall be retained as evidence indefinitely until the litigation is concluded.

Where meetings are held by way of video conferencing, the recorded video and audio shall be treated as part of the meeting minutes, and kept properly over the Company's existence.

#### Article 10

Agenda of a regular board meeting shall include at least the following topics:

##### I. Reports:

- (I) Minutes of the previous meeting and execution of meeting resolutions.
- (II) Reports on key financial or business information.
- (III) Reports on internal audit issues.
- (IV) Reports on other important issues.

##### II. Discussions:

- (I) Discussions carried forward from the previous meeting.
- (II) Discussions scheduled for the current meeting.

##### III. Special motions.

#### Article 11

The Company's board meetings shall proceed as scheduled in the meeting advice. However, changes can be made with the consent of more than half of all attending directors.

The chairperson cannot dismiss the meeting without the consent of more than half of all attending directors.

If the number of attending directors falls to less than half the initial number while the board meeting is in progress, the chairperson shall suspend the meeting at the request of remaining directors and proceed according to Paragraph 3, Article 8 of the Rules.

#### Article 12

The following issues shall be raised for discussion in board meetings:

- I. Operational plans of the Company.
- II. Annual financial reports and semi-annual financial reports. This excludes semi-annual financial reports that do not need to be audited by a CPA according to law.
- III. Establishment or amendment of internal control system according to Article 14-1 of the Securities and Exchange Act (SEA).
- IV. Establishment or amendment of asset acquisition and disposal procedures, derivative trading procedures, external party lending procedures, external party endorsement and guarantee procedures, and other procedures of major financial or business consequences according to Article 36-1 of the SEA.
- V. Offering, issuance, or private placement of securities with equity characteristics.
- VI. Appointment and dismissal of the head of finance, accounting, or internal audit.
- VII. Donation to related party or major donation to non-related party. However, in the occurrence of a major natural disaster, emergency aids of charitable nature can be made first and acknowledged later during the next board of directors meeting.
- VIII. Any decisions that must be resolved in a shareholder meeting or a board of directors meeting as required in Article 14-3 of the SEA, relevant regulations, or Articles of Incorporation, and any major issues prompted by the authority.

The term "related party" mentioned in Subparagraph 7 above shall adhere to the definitions

stipulated in Regulations Governing the Preparation of Financial Reports by Securities Issuers. Major donation to non-related party shall refer to any single or cumulative donations that amount to NT\$100 million or above in a year to the same party, or amounts that accumulate to more than 1% of net revenues or 5% of paid-up capital, as shown in the latest audited financial statements. (For foreign companies that issue shares without face value or at face values other than NT\$10 per share, the 5% threshold on paid-up capital shall be calculated at 2.5% of shareholders' equity instead.)

The one-year period mentioned above shall refer to the one year dating back from the current board meeting. Amounts that have already been passed in previous board meetings may be excluded from calculation.

For any decisions that have to be resolved in a board of directors meeting, as stipulated in Article 14-3 of the SEA, the independent directors must be involved either by attending the meetings personally or by appointing other independent directors as proxy attendees. All objections and reservations expressed by independent directors must be detailed in board of directors meeting minutes. If the independent director is unable to express objections or reservations in person during the board of directors meeting, the opinion shall be expressed in writing in advance and recorded in board meeting minutes unless there is justifiable reason not to do so.

#### Article 13

The chairperson of board meeting may announce to discontinue further discussion if the topic in question is considered to have been sufficiently discussed to proceed with voting.

Motion of a board of directors meeting is considered passed if the chairperson receives no objection from any attending directors upon inquiry. Should any director express objection after being inquired by the chairperson, the discussed motion shall be resolved through vote.

The chairperson may choose to proceed with voting using any of the following methods, but if there is any objection among attendees as to the choice of voting method, the chairperson shall adopt the method that has the highest support among attendees:

- I. Voting with a show of hands or use of voting instruments.
- II. Vote by roll call.
- III. Vote by ballot.
- IV. Any other methods chosen by the Company.

The attending directors mentioned in the two paragraphs above do not include directors who are not permitted to vote under Paragraph 1, Article 15.

#### Article 14

Unless otherwise regulated in SEA or The Company Act, board of directors' resolutions are passed only if more than half of total board members are present in a meeting, and with more than half of attending directors voting in favor.

With the exception of annual and semi-annual financial reports, all other issues mentioned in Article 14-5 of SEA that are subject to Audit Committees' consent and board of directors' resolution can still be approved by the board without Audit Committee's consent, provided that they are supported by more than two-thirds of board members. In which case, the board of directors meeting minutes shall detail the solution of the Audit Committee.

In cases where several amendment or alternative solutions have been proposed at the same time, the chairperson shall determine the order in which the proposals are voted. However, if any proposal is

passed, all other proposals shall be deemed rejected and no further voting is necessary.

If the voting process requires a ballot examiner and a ballot counter, the chairperson shall appoint them accordingly. The ballot examiner, however, must be a director.

Outcome of a vote shall be documented and announced on site.

#### Article 15

If a director, or the corporate entity a director represents, is considered a stakeholder to the discussed topic, the director must state the stakes involved during the current meeting session and shall disassociate from all discussions and voting if the stakes are in conflict against the Company's interests. In addition, the director may not exercise voting rights on behalf of other directors.

When making board resolutions, directors who are prohibited from exercising voting rights under the preceding Paragraph shall be subject to the treatments outlined in Paragraph 2, Article 180 of The Company Act, which applies *mutatis mutandis* to Paragraph 3, Article 206.

#### Article 16

Proceedings of a board meeting shall be compiled into detailed minutes with the following details:

- I. The meeting session (or year), time, and venue.
- II. Name of the meeting chairperson.
- III. Directors' attendance, including the number and names of attendees, absentees, and those on leave of absence.
- IV. Names and titles of other participants invited to the meeting.
- V. Name of the minutes taker.
- VI. Reported issues.
- VII. Discussions: The methods by which resolutions were reached and outcomes of each motion; summary of opinions expressed by directors, experts, and other personnel involved; the names of directors who held conflicting interests in the discussed topic as described in Paragraph 1 of the preceding Article, descriptions of the stakes involved, reasons for directors' disassociation or participation in the discussed topic, and whether the director had disassociated from the discussion/vote; any objections or reservations expressed on record or in writing; and independent directors' written opinions raised according to Paragraph 4, Article 12.
- VIII. Special motions: The name of the person who raised the motion; the method of resolution and outcome; summary of opinions expressed by directors, supervisors, experts, and other personnel; the names of directors who held conflicting interests in the discussed topic as described in Paragraph 1 of the preceding Article, descriptions of the stakes involved, reasons for directors' disassociation or participation in the discussed topic, whether the director had disassociated from the discussion/vote; and any objections or reservations expressed on record or in writing.
- IX. Other details as deemed relevant.

If board of directors resolution involves any of the following, the details of which must be addressed in the meeting minutes and reported to the Market Observation Post System as required by the Financial Supervisory Commission within 2 days after the date of board meeting:

- I. Objections or reservations expressed by independent directors on record or in writing.
- II. Motion that is not approved by the Company's Audit Committee but passed by more than



two-thirds of all directors.

- III. Any salary/compensation approved by the board of directors that is more favorable than the proposal suggested by the Remuneration Committee.

The attendance log constitutes part of the board meeting minutes, and therefore shall be kept properly over the Company's existence.

Meeting minutes shall be signed or sealed by the chairperson and the minutes taker, and distributed to all directors within 20 days after the meeting. These documents shall also be treated as part of the Company's key files and kept properly over the Company's existence.

Preparation and distribution of meeting minutes mentioned in Paragraph 1 can be made in electronic form.

#### Article 17

(Delegation of board of directors' authority)

Except for the issues listed in Paragraph 1, Article 12 that are subject to discussion in a board of directors meeting, and matters concerning independent directors' authority, related party transaction, and decisions that have to be resolved in a board of directors meetings under laws or relevant policies, the board of directors may authorize the board of managing directors or the Chairman, in a manner that complies with laws and the Articles of Incorporation, to exercise the following authorities in between board meetings:

- I. Examine the Company's accounting system, financial position, and financial reporting procedures.
- II. Review asset acquisition and disposal procedures, external party lending procedures, external party endorsement and guarantee procedures, and other procedures of major financial consequences.
- III. Communicate with the Company's financial statement auditors.
- IV. Evaluate internal audit personnel and the tasks performed.
- V. Evaluate the Company's internal control system.
- VI. Assess, inspect, and supervise existing or potential risks within the Company.
- VII. Inspect compliance within the Company.
- VIII. Evaluate CPA's eligibility and nominate suitable candidates.

#### Article 18

Paragraph 2, Article 3 and Articles 2, 4-6, 8-11, and 13-16 shall apply mutatis mutandis to the Company's board of managing directors meetings. However, for regular meetings of managing directors that are scheduled to convene within 7 days, the managing directors can be notified 2 days in advance.

#### Article 19

Establishment of the conference rules is subject to approval by the Company's board of directors and acknowledgment in shareholder meeting. The board of directors can be authorized to make subsequent amendments as deemed necessary.

## Onyx Healthcare Inc. Business Integrity Procedures and Behavioral Guidelines

### Article 1 Purpose and Applicability

The Company engages in commercial activities out of the utmost fairness, honesty, faithfulness and transparency. The following procedures and guidelines have been established in accordance with "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and laws in the countries where the Company and group affiliates operate to fully enforce ethical management, prevent unethical conducts, and outline areas that require employees' attention when performing duties.

The following procedures and guidelines apply to all subsidiaries of the Company, non-profit organizations that the Company has funded directly or indirectly for more than 50%, and any entities that the Company has control over.

### Article 2 Applicability

Insiders, as mentioned throughout the procedures and guidelines, shall refer to directors, supervisors, managers, employees, agents and persons who exercise control over the Company and group enterprises and organizations.

Any offering, commitment, request or acceptance of inappropriate gains by an insider through a third party is considered a conduct of that insider.

### Article 3 Dishonest Conduct

Dishonest conduct, as mentioned throughout the procedures and guidelines, shall refer to any direct or indirect offering, acceptance, commitment or request of inappropriate gains by an insider over the course of business activity, or any other conducts that are considered illegal or constitute breach of integrity or fiduciary duty.

Counterparties of dishonest conduct, as described above, may include government officials, election candidates, political parties or members thereof, and directors, supervisors, managers, employees, controllers or any stakeholder of a state-owned or private institution.

### Article 4 Forms of Benefit

Gains mentioned in the procedures and guidelines shall refer to any money, gift, concession, commission, position, service, privilege, kickback, lobbying fee, treatment, meal and other items of value, offered in any form or name.

### Article 5 Accountable Unit and Duties

The Company designates the President's Office (referred to as the Accountable Unit) as the unit responsible for the amendment, execution, interpretation, and consultation of the procedures and behavioral guidelines, as well as the supervision of related regulatory reporting and filing works. The unit shall be supported with adequate resources and competent personnel, operate directly under the board of directors with

respect to the following duties, and is required to make regular reports (at least once a year) to the board:

1. Incorporating integrity and moral values into the Company's operating strategies, and establishment of integrity assurance and fraud prevention measures in accordance with laws.
2. Regular analysis and assessment on business activities that are prone to risk of dishonest conducts, and implementation of measures against dishonest conducts, including standard operating procedures and behavioral guidelines.
3. Planning of internal organization and duties, and implementation of check and balance for business activities that present higher risk of dishonest conduct.
4. Coordination of integrity policy awareness and training programs.
5. Establishment of a whistleblowing system and ensuring the effectiveness of its execution.
6. Assist the board of directors and the management in assessing the effectiveness of existing integrity practices and preventions, assess compliance of business procedures, and make regular reports to the board of directors.
7. Prepare and retain documents on business integrity policy, compliance statement, as well as enforcement, commitment, and execution of such policy.

#### Article 6 Prohibition against Offering and Acceptance of Improper Gains

Except for the following circumstances, any direct or indirect offering, acceptance, commitment or request for gains mentioned in Article 4 by an insider shall comply with "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and the procedures and guidelines before proceeding:

1. Gains that are offered out of courtesy, customary practice or local customs during occasions such as domestic (overseas) visit, hosting of foreign guests, business promotion, or communication and coordination of commercial nature.
2. Participation or invitation to common social events intended as a social etiquette or to promote commercial relations.
3. Participation or invitation to business-related activities such as commercial campaigns and plant visits, where details such as sharing of expenses, number of participants, level of accommodation and stay duration have been determined and disclosed in advance.
4. Participation or invitation to festive events that are open to the general public.
5. Management incentives, financial aids and condolence money.
6. Other gains that conform to company policy.

#### Article 7 Procedures for Acceptance of Improper Gains

Except for the circumstances mentioned in the preceding Article, insiders shall follow the steps described below when being offered or any gains or commitments mentioned in Article 4, whether directly or indirectly:

1. If the gain or commitment is offered by someone without business influence, a report shall be made to the line manager within three days after acceptance; notify the Accountable Unit if deemed necessary.
2. Gain or commitment offered by someone with business influence shall be returned or rejected, and notified to the line manager and the Accountable Unit at the same time. Gains that cannot be returned shall be handed over to the Accountable Unit within 3 days after acceptance.

Party with business influence, as mentioned above, shall refer to party that meets any of the following conditions:

1. Party that the Company has business relationship with, or exercises supervision over, or offers subsidy (incentive) to.
2. Party that is currently in search of, or has already engaged in, a contractual relationship such as outsourcing or trading.
3. Any party that is affected favorably or unfavorably by the Company's decision to execute or reject the proposed business.

Depending on the nature and value of gains mentioned in Paragraph 1, the Accountable Unit shall make appropriate proposals to return, pay, confiscate or donate such gains, and proceed with the President's approval.

#### Article 8 Prohibition Against Lobbying Fees and Procedures

The Company does not offer or commit to offer any lobbying fees.

Insiders who offer or commit to offer lobbying fees under threat shall retain records of the entire process and report to the line manager while at the same time notify the Accountable Unit.

The Accountable Unit shall respond immediately when notified of the above, and examine all relevant details to prevent recurrence. Any illegal conduct discovered shall be reported immediately to the law enforcement department.

#### Article 9 Procedures for Offering Political Donations

Any donations made directly or indirectly to political parties, campaigns or individuals by the Company or its employees shall comply with the Political Donations Act and the Company's internal procedures. These donations cannot be exploited as means to obtain commercial benefit or advantage.

#### Article 10 Procedures for Charitable Donations or Sponsorships

Any donations or sponsorships made by employees to charity organizations shall comply with relevant laws and the Company's internal procedures. These donations and sponsorships cannot be exploited as means of bribery.

#### Article 11 Avoidance of Conflicting Interests

If a director, supervisor, manager, board meeting participant or any of the corporate entity they represent is considered a stakeholder to a topic discussed in board meeting, the party shall state the stakes involved during the current meeting session and shall

disassociate from all discussions and voting if the stakes are in conflict against the Company's interests. In addition, the concerned party may not exercise voting rights on behalf of other directors. Directors shall also exercise self-discipline and refrain from backing up each other in inappropriate ways.

A director would be considered to hold self-interest in a topic raised in the meeting if the director's spouse, 2nd-degree direct relative or closer, or any of the director's controlled or controlling entities holds stake in the said topic.

When performing corporate duties, insiders are required to report to the line manager and the Accountable Unit any conflict of interest between them and the entities they represent, or any situation that puts them or their spouse, parent, child or related party in a position to receive improper gains. The line manager shall offer appropriate guidance under such circumstances.

Insiders are not allowed to spend corporate resources on commercial activities that are unrelated to the Company, and shall not engage in external commercial activities to the extent that compromises work performance within the Company.

#### Article 12 Confidentiality System, Organization and Duty

The Company shall designate a dedicated unit to establish and execute procedures for the management, preservation and protection of business secrets, trademarks, patents, copyrights and other intellectual properties. Implementation of the above procedures shall be reviewed regularly to ensure that they remain effective over time.

Insiders are bound to comply with the intellectual property rules mentioned above, and shall refrain from disclosing the Company's business secrets, trademarks, patents, copyrights or other intellectual properties to others. Insiders shall also refrain from probing the Company's business secrets, trademarks, patents, copyrights or other intellectual properties that are unrelated to their duties.

#### Article 13 Prohibition Against Leakage of Commercial Secret

The Company shall comply with fair trading and competition laws when engaging in business activities, and shall avoid actions such as: price fixing, bid rigging, use of output restrictions or quota, or market sharing/division by allocating customers, suppliers, territories, or business activities.

#### Article 14 Preventing Product or Service Damage to Stakeholders

The Company shall constantly monitor laws and international standards that are relevant to the products and services offered, and announce key points internally so that employees are aware of and engaged in maintaining transparency and safety throughout research, development, procurement, manufacturing, offering and sale of products and services.

The Company shall implement and disclose on its website various policies for protecting consumers' or stakeholders' interests, and take progressive steps toward preventing products or services from causing direct or indirect harm to consumers' or

stakeholders' interests, health, and safety.

The Company shall recover its product or cease service within 30 days if there is any media coverage or evidence to suggest that the product or service poses concern to the safety and health of consumers or other stakeholders. In which case, the Company shall conduct investigations to determine whether the claims are true and propose improvement plans accordingly.

The Accountable Unit shall report to the board of directors of the above occurrence along with details on how they are handled and the improvement measures undertaken.

Article 15 Prohibition Against Insider Trading and Rules of Confidentiality

All external institutions and personnel that engage the Company in various arrangements such as business merger, divestment, share acquisition, share transfer, memorandum of understanding, strategic alliance, business cooperation or major contract are required to sign a confidentiality agreement/commitment that prevents them from revealing the Company's commercial secret or material information to others or using such information without the Company's consent.

Article 16 Compliance and Announcement of Business Integrity Policy

The Company shall communicate its business integrity policy through internal rules, annual reports, website and documents, and convey during public occasions such as product release conference, investor seminar etc. so that suppliers, customers and all business partners are able to develop clear understanding of the Company's integrity philosophy and rules.

Article 17 Integrity Assessment Prior to Business Relationship

Before establishing new business relationship, the Company shall first evaluate the legitimacy and integrity policy of its potential distributor, supplier, customer or business counterparty, followed by a series of investigation on dishonest conduct to ensure the fairness and transparency of their business practices, and that they do not request, offer or accept bribe.

When conducting the above assessment, the Company may adopt proper procedures to investigate the following issues and thereby establish the integrity of its business partner:

1. Registered country, place of business, organization, operational policy and payment location of the counterparty.
2. Whether the counterparty has implemented an integrity policy and how it is being implemented.
3. Whether the counterparty operates in a country of high corruption risk.
4. Whether the counterparty's line of business is prone to high bribery risk.
5. The counterparty's long-term performance and reputation.
6. Opinions on the counterparty from counterparty's business partners.
7. Whether the counterparty exhibits history of dishonest conduct, such as bribery

or illegal political donation.

Article 18 Explanation of Business Integrity Policy with Business Partners

Over the course of business activities, insiders shall explain to counterparties the Company's business integrity policy and related rules, while explicitly rejecting all direct and indirect offering, commitment, request or acceptance of improper gains in any name or form.

Article 19 Avoidance of Dealing with Dishonest Parties

Insiders shall avoid business dealing with distributors, suppliers, customers or any counterparties that exhibit a history of dishonest conduct, and shall cease all business dealing with a business partner upon discovery of any dishonest conduct, while at the same time blacklist the business partner in support of the Company's business integrity policy.

Article 20 Statement of Integrity Principles in Contract

Prior to signing contract with another party, the Company shall learn the integrity of its counterparty and incorporate business integrity clauses that cover the following:

1. Either party may terminate the contract unconditionally at any time if the other party is found to have involved in dishonest conduct.
2. Clear and reasonable terms of payment, such as payment location and method, tax laws to be complied etc.

Article 21 Actions Against Insiders' Dishonest Conducts

Upon discovery or report of dishonest conduct involving an insider, the Company shall investigate immediately and demand immediate cease and desist if such conduct has been verified to constitute violation of law or the Company's business integrity policy or rules. In which case, the violator will be subjected to disciplinary action and claims through legal proceeding if necessary to protect the Company's interests and reputation. The Company shall assemble a team to review and devise improvement measures for known dishonest conducts, and thereby prevent recurrence.

The Accountable Unit shall report to the board of directors any dishonest conducts that have occurred within the Company, along with details on how they are handled and the improvement measures undertaken.

Article 21-1 Reporting Process

The Company encourages insiders and outsiders to report dishonest and inappropriate conducts. However, insiders who make a false report or make an accusation of ill-intended purposes shall be disciplined or even dismissed depending on severity.

The Company shall implement misconduct reporting mailboxes on its Internet and Intranet websites, and disclose them to insiders as well as outsiders. Informant is required to provide at least the following information when reporting misconduct:

1. The informant's name and ID card number, or anonymous if the informant chooses, and address, phone number and e-mail that can be used to contact the

informant.

2. Name or other identifiable information of the offender.
3. Facts that can be investigated into.

Personnel who have been assigned to handle misconduct reports shall issue written commitments to maintain confidentiality of the informant's identity and details of the report. The Company shall issue a commitment to protect informants from retaliation as a result of their report.

Reported misconducts shall be handled by a dedicated team in the following procedures:

1. Reported misconducts that involve general employees shall be escalated to the head of department, whereas reported misconducts that involve directors or senior managers are to be escalated to independent directors.
2. Upon receiving report, the dedicated team and the abovementioned heads or personnel shall proceed to investigate facts immediately, and may seek help from compliance or other departments if necessary.
3. If the reported misconduct is verified to constitute violation of law or the Company's business integrity policy or rules, the violator shall be ordered to cease and desist such conduct, and subjected to disciplinary action. Violators may also be reported to the authority, judicial department, or subjected to damage claims through legal proceeding if necessary to protect the Company's interests and reputation.
4. Details including the misconduct report, investigation process and findings shall be maintained in written or electronic documents and maintained for five years. Should any litigation arise in relation to the reported misconduct before expiry of the retention period, the above documents will have to be retained until the litigation is concluded.
5. For every verified misconduct report, the department concerned will be required to review internal control policies and procedures and propose improvement measures to prevent similar occurrence in the future.
6. The dedicated team shall report to the board of directors the reported misconduct along with details on how they are handled and the improvement measures undertaken.

#### Article 22 Actions Against Dishonest Conducts of External Parties

Insiders are required to report any illegal and dishonest conduct against the Company that involves an external party, so that the relevant facts can be notified to the judicial authority and prosecutors. Dishonest conducts that involve a government agency or civil servant also have to be escalated to the government's internal affairs department.

#### Article 23 Internal Awareness Promotion, Reward, Disciplinary and Grievance Systems

The Accountable Unit shall promote internal awareness once a year and have Chairman, President, or senior managers convey the importance of integrity with directors, employees, and agents.

The Company shall incorporate business integrity into employees' performance evaluation and the human resource policy, and have clear and effective



disciplinary/reward systems in place.

Insiders who commit severe violation against the integrity principles shall be dismissed according to laws or the Company's personnel policy.

The Company shall disclose on its Intranet the title and name of any employee who violates the integrity principle, the date of violation, the nature of violation and handling progress.

#### Article 24 Implementation

The procedures and behavioral guidelines shall be implemented with the board of directors' resolution and shall be reported to the Audit Committee and shareholders.

The same applies to subsequent revisions.

Independent directors' opinions shall be fully taken into consideration when the procedures and behavioral guidelines are raised for discussion among the board of directors. All objections and qualified opinions expressed by independent directors shall be detailed in board of directors meeting minutes. If the independent director is unable to express objections or qualified opinions in person during board meeting, the opinion shall be expressed in writing in advance and recorded in board meeting minutes unless there is justifiable reason not to do so.

The above rules were established on June 6, 2016.

The 1st amendment was made on April 23, 2019.

The 2nd amendment was made on August 3, 2020.

## **Onyx Healthcare Inc. Rules for Election of Directors**

### Article 1

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

### Article 2

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

### Article 3

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

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

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

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

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

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

### Article 4

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

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

### Article 5

Election of independent directors shall all proceed according to the nomination system mentioned in Article 192-1 of The Company Act. To facilitate proper review of independent director candidates' eligibility, academic/career background, and criteria mentioned in Article 30 of The Company Act, no documentary proof other than those mentioned in the Act shall be used. The outcome of the review shall be presented to shareholders, and serve as reference to electing suitable independent directors.

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

If the Company has less than five active directors at any given time due to dismissal, a by-election shall be held in the upcoming shareholder meeting to fill the open position. However, if the shortfall amounts to one-third of the seats mentioned in the Articles of Incorporation, the Company shall convene an extraordinary shareholder meeting within the next 60 days to elect candidates for the shortfall.

If the number of independent directors falls short of the requirements stated in Paragraph 1, Article 14-2 of the Securities and Exchange Act, or Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings, or Subparagraph 8 of Taipei Exchange "Standards for Determining Unsuitability for TPEX Listing under Article 10, Paragraph 1 of the Taipei Exchange Rules Governing the Review of Securities for Trading on the TPEX," a by-election shall be held in the upcoming shareholder meeting. If all independent directors are dismissed from duty, the Company shall convene an extraordinary shareholder meeting within 60 days from the date of occurrence to elect candidates for the shortfall.

#### Article 6

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

#### Article 7

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

#### Article 8

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

#### Article 9

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

#### Article 10

If the candidate is also a shareholder, voters will have to specify both shareholder account name and number in the "candidate" column of the ballot. If the candidate is not a shareholder, the candidate's name and ID card number will have to be specified instead. However, if the candidate is a government institution or a corporate shareholder, the name of the government institution or corporation shall be specified in the "candidate" field of the ballot; alternatively, voters may also specify the name of the government institution or corporation and the name of its representative. If there are multiple representatives, the names of all representatives shall be specified in the ballot.

#### Article 11

Ballots are voided in any of the following circumstances:

- I. Use of ballot that is not prepared by the board of directors.
- II. Casting of blank ballots into the ballot box.

- III. Ballots with illegible writing or are altered.
- IV. Where the candidate is a shareholder, the written identity and shareholder account number do not match the shareholder registry; or where the candidate is a non-shareholder, the written name and identity document number do not match the candidate's identity proof.
- V. Ballots that contain writings other than the candidate's account name, shareholder account number (or identity document number), and allocated votes.
- VI. The candidate's name written in the ballot coincides with another shareholder, but no shareholder account number or identity document number is provided for identification.

#### Article 12

Ballots are to be counted openly immediately after voting. The chairperson shall announce on-site the outcome of the vote, including the names of elected directors and the number of votes received. All ballots used in the above election shall be sealed and signed by the ballot examiner, and held in proper custody for at least one year. However, if a shareholder raises a litigious claim against the Company in accordance with Article 189 of The Company Act, the abovementioned documents shall be retained until the end of the litigation.

#### Article 13

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

## **Onyx Healthcare Inc.**

### **Shareholder Meeting Conference Rules**

#### Article 1

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

#### Article 2

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

#### Article 3

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

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

The meeting advice and announcement shall state clearly the agenda to be discussed during the meeting, and can be issued in electronic form if consented by the recipient.

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

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

Shareholders that own more than 1% of the Company's outstanding shares are entitled to propose motions for discussion in annual general meetings; each shareholder may only propose one motion; proposals above that limit will be excluded from discussion. However, motions that involve suggestions to the Company's efforts toward public interest or social responsibilities may still be accepted by the board of directors. The board of directors may disregard shareholders' proposals if the proposed motions exhibit any of the conditions described in Paragraph 4, Article 172-1 of The Company Act.

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

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

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

#### Article 4

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

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

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

#### Article 5

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

#### Article 6

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

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

Shareholders and representatives thereof (collectively referred to as "shareholders") shall attend shareholder meetings by presenting valid conference pass, attendance card or other document of similar nature. Proxy form acquirers are required to bring identity proof for verification.

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

Shareholders who attend the meeting shall be given a copy of the meeting manual, annual report, attendance pass, opinion slip, motion ballot and any information relevant to the meeting. Prepare additional ballots if director election is also being held during the meeting. Where the shareholder is a government agency or corporate entity, more than one representative may attend shareholder meetings on their behalf. Corporate entities that have been designated as proxy attendants can only appoint one representative to attend shareholder meeting.

#### Article 7

Shareholder meetings that are convened by the board of directors shall be chaired by the Chairman. If the Chairman is on leave or is unable to exercise duties for any reason, the Vice

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

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

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

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

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

#### Article 8

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

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

#### Article 9

Shareholders' presence is determined by the number of shares represented in a meeting. The number of shares represented in a meeting is calculated based on attendance log records or the attendance cards collected, plus the number of shares with voting rights exercised in writing or through electronic means.

The chairperson shall announce commencement of meeting as soon as it is due. However, if current attendants represent less than half of the Company's outstanding shares, the chairperson may announce to postpone the meeting up to two times, for a period totaling no more than one hour. The chairperson shall dismiss the meeting if attending shareholders still represent less than one-third of outstanding shares after two postponements.

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

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

#### Article 10

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

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

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

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

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

#### Article 11

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

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

Each shareholder shall speak for no more than two times, for 5 minutes each, on the same motion unless otherwise agreed by the chairperson. The chairperson may stop shareholders from speaking if they violate any terms of the policy or speak outside the discussed topic.

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

Where a corporate shareholder has appointed two or more representatives to attend the shareholder meeting, only one representative may speak per motion.

After a shareholder has finished speaking, the chairperson may answer the shareholder's queries personally or appoint any relevant personnel to do so.

#### Article 12

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

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

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

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

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

#### Article 13

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

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



that may arise during the shareholder meeting. For this reason, the Company shall avoid proposing special motions or amendments to the original motion where possible.

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

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

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

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

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

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

#### Article 14

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

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

#### Article 15

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

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

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

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

#### Article 16

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

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

#### Article 17

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

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

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

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

#### Article 18

The chairperson may put the meeting in recess at appropriate times. In the event of force majeure, the chairperson may suspend the meeting temporarily and resume at another time. If the shareholder meeting is unable to conclude all scheduled motions (including special motions) before the venue is due for return, participants may resolve to continue the meeting at an alternative location.

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

#### Article 19

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

The rules were established on April 30, 2015

The 1st amendment was made on February 23, 2016

The 2nd amendment was made on May 22, 2020

### Shareholdings of the Directors of Onyx Healthcare Inc.

1. The Company has paid-up capital of NT\$275,102,730 issued in 27,510,273 shares.
2. According to "Article 26 of Securities and Exchange Act" and "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies," directors of the Company are required to maintain an aggregate holding of at least 3,301,232 shares. The Company has elected at least two independent directors, therefore required shareholding of non-independent directors is reduced to 80%.
3. All Directors of the Company held a total of 13,941,812 shares as of March 27, 2021, the book closure date of the current annual general meeting. Shareholding of individual directors is shown below:

Title	Name	Date elected	Shareholding while elected		Shareholding position as at the book closure date	
			Number of shares held	Shareholding percentage (Note 1)	Number of shares held	Shareholding percentage
Chairman	Jui Hai Investment Co.,Ltd. Representative : Chuang,Yung-Shun	2019/5/29	134,823	0.67%	185,381	0.67%
Director	AAEON Technology Inc. Representative : Wang,Feng-Hsiang	2019/5/29	10,004,678	50.00%	13,756,431	50.00%
Director	AAEON Technology Inc. Representative : LIN,CHIEN-HUNG	2019/5/29				
Director	Lee, Tsu-Der	2019/5/29	0	0	0	0
Independent Director	CHIANG,PO-WEN	2019/5/29	0	0	0	0
Independent Director	Tai, Yi-Hui	2019/5/29	0	0	0	0
Independent Director	Lee, San-Liang	2019/5/29	0	0	0	0
Total			10,139,501	50.67%	13,941,812	50.67%

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