Stock Code: 1736

喬山健康科技股份有限公司
Johnson Health Tech. Co., Ltd.

Handbook for the 2024 General Shareholders' Meeting

Date & Time: June 26, 2024 (Wednesday) at 09:00 AM
Location: No. 999, Sec. 2, Dongda Rd., Daya Dist., Taichung City 428, Taiwan (R.O.C.)
(B1 Audio-Visual Classroom of Johnson Health Tech. Co., Ltd.)

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Johnson Health Tech. Co., Ltd.
2024 General Shareholders' Meeting Agenda

Date & Time: June 26, 2024 (Wednesday) at 09:00 a.m.

Location: No. 999, Sec. 2, Dongda Rd., Daya District, Taichung City, Taiwan (R.O.C.)
(B1 Audio-Visual Classroom of Johnson Health Tech. Co., Ltd.)

Convening Way: Physical Shareholders' Meeting

I. Call Meeting to Order (Report the total share number representing attendance)

II Chair's Statement

III Report Items

(1) 2023 Annual Business Report.

(2) 2023 Audit Committee's Review Report.

(3) Report on the Distribution of Compensation for Employees and Directors in 2023.

(4) Report on the Distribution of Cash Dividend from Earnings in 2023.

(5) Report on Directors' Remuneration in 2023.

(6) Establishment of "Ethical Corporate Management Best Practice Principles" of the Company.

IV. Matters for Ratification

(1) Proposal of 2023 Annual Business Report and Financial Statements.

(2) Proposal of 2023 Earnings Distribution.

V. Matters for Discussion

(1) Amend Part of the Articles of this Company's "Regulations Governing Operational Procedure of Loaning of Funds to Others".

VI. Extraordinary Motion

VII. Meeting Adjourned

Report Matters

I. 2023 Annual Business Report.

Explanatory Notes: Please refer to Pages 9-12 – Attachment 1 of this Handbook for 2023 Annual Business Report.

II. 2023 Audit Committee's Review Report.

Explanatory Notes: Please refer to Page 13 – Attachment 2 of this Handbook for 2023 Audit Committee's Review Report.

III. Report on Distribution of Compensation for Employees and Directors in 2023, report for verification.

Explanatory Notes: (1) The compensation for this company's employees and directors in 2023, by the resolution of the Board of Directors' meeting on March 14, 2024, will be all distributed in cash and the release date will be handled by the chairman in full authorization by the Board of Directors.

(2) The compensation for this company's employees in 2023 is NT$10,000,000 (1.2%).

(3) The compensation for this company's directors in 2023 is NT$8,600,000 (1.0%).

IV. Report on the Distribution of Cash Dividend from Earnings in 2023, report for verification.

Explanatory Notes: (1) In accordance with Article 30-1 of the Articles of Incorporation, the Board of Directors is authorized to resolve whether whole or part of the bonus for the shareholders shall be distributed in cash and a report thereof shall been submitted during the shareholders' meeting.

(2) The dividend for the shareholders in the amount of NT$302,921,617 will be allocated in the form of cash dividend at NT$1.0 distributed per share. The cash dividend shall be distributed in up to NT$1 with below NT$1 rounded up; for the total fractional amount of less than NT$1, the amount below the decimal point shall be adjusted in the sequence of the amount and the shareholders' account number till the total distributed cash dividend amount is matched.

(3) This case has been passed by the Board of Directors, which authorizes the chairman to set up such related matters as the base date of dividend distribution and the date of distribution, etc. If the number of the outstanding ordinary shares of this Company should vary subsequently and hence the rate of dividend distribution changes, the Board of Directors shall fully authorize the chairman to make the adjustment.

V. Report on Directors' Remuneration in 2023, report for verification.

Explanatory Notes: (1) The company's policy, system, standards and structure for remuneration to ordinary directors and independent directors, and statement of the correlation with the amount of remuneration paid based on factors such as responsibilities, risks, time invested, etc.:

a. It is also stipulated in the Articles of Incorporation that, if there is profit, no less than 1% of the profit in the year shall be allocated as the employees' remuneration and no more than 5% shall be allocated as the compensation for the directors. The remuneration of directors, regardless of profit or loss, is authorized to be determined by the board of directors in accordance with the normal payment standards of the industry.

b. Only travel allowance and fixed remuneration are paid to the directors of the company, no variable remuneration is paid, and such remuneration has nothing to do with performance. The remuneration paid for serving as directors have been separately disclosed in the annual report. In addition, the remuneration of directors who serve as employees concurrently shall be paid in accordance with the regulations stipulated by the Human Resources Department.

(2) For the remuneration to ordinary directors and independent directors in 2023, please refer to Attachment 3 on Page 14 of the Handbook.

VI. Establishment of "Ethical Corporate Management Best Practice Principles" of the Company, report for verification.

Explanatory Notes: In accordance with laws and regulations as well company's operational need, the Company has stipulated "Ethical Corporate Management Best Practice Principles". Please refer to Attachment 4 on Pages 15-19 of the Handbook.

Matters for Ratification

Proposal 1 (Proposed by the Board of Directors)

Proposal: Proposal of the 2023 Annual Business Report and Financial Statements.

Explanatory Notes:

(1) The preparation of this Company's 2023 parent company only financial statements and consolidated financial statements (balance sheet, comprehensive income statement, equity variation list and cash flow chart) have been completed, which had been submitted, along with the business report, with the Audit Committee for review, after audited and certified by CPA Huang, Tzi-Ping and CPA Chen, Ming-Hung of Ernst & Young Global Limited and a written audit report has been prepared and filed.

(2) For the business report, CPAs' audit report and 2023 parent company only financial statements and consolidated financial statements, etc., please see Pages 9-12 & Pages 20-37 – Attachment 1, Attachment 5 & Attachment 6 of this Handbook.

(3) Please ratify the proposal.

Resolution:

Proposal 2 (Proposed by the Board of Directors)

Proposal: 2023 Earnings Distribution Proposal.

Explanatory Notes:

(1) For this Company's 2023 earnings distribution statement, please refer to Page 38 – Attachment 7 of this Handbook.

(2) Please ratify the proposal.

Resolution:

Matters for Discussion

Proposal 1 (Proposed by the Board of Directors)

Proposal: Amend Part of the Articles of this Company's "Regulations Governing Operational Procedure of Loaning of Funds to Others".

Explanatory Notes:
(1) In compliance with company's operational need, articles in "Handling Procedures of Loaning of Funds to Others" of the Company was proposed for revision.
(2) For the comparison table of revision before and after the amendments for "Handling Procedures of Loaning of Funds to Others," please refer to Attachment 8 in Page 39 of this Handbook.

Resolution:

Extraordinary Motion

Meeting Adjourned

ATTACHMENT

【Attachment 1】

Johnson Health Tech. Co., Ltd.

2023 Annual Business Report

I. 2023 Business Results

(1) Operation Profile:

In 2023, Johnson Health Tech. Co., Ltd. created a consolidated revenue in NTD 38.1 bn, hitting another new record high performance with an increase of NTD 4.5 bn. by a growth rate of 13.3%, compared with last year.

2023 was a year of growth and recovery for the fitness equipment supply industry. Regardless of the still turbulent factors such as global geopolitical risks, interest rate increases, and inflation, however, with the unfolding of the post-pandemic era, people's life pace gradually resumed to the pre-pandemic normal. In the meantime, more and more attention has been dragged to health management requirements, and consumption demand for fitness equipment has increased significantly, which has also driven the Company with continuous and steady growth.

In 2023, members of large-scale commercial gyms around the world ushered in a wave of returning members after the pandemic and Johnson has earned its growth in commercial market by about 17% compared with the previous year. In addition to the constant growth of customers in existing chain gyms and the increase in supply share to customers, also significant progress been made in developing new customers in various regions around the world, Johnson Health Tech. Co., Ltd. has become the champion in commercial equipment worldwide. 2025 will mark the 50th anniversary of the founding of Johnson. With the continuous hardship of the team, we aim to achieve for 50% of the global market share by the year of the 50th anniversary. In terms of household market, although the sales performance for the whole year has not yet increased significantly compared with the previous year, the high inventory situation in the channels caused by the panic buying in the early stage of the pandemic and the impact of the economic boom in the later period has been lifted in the second half of the year, and market demand has rebounded and returned to its growth trend. Johnson Health Tech. Co., Ltd. will continue to integrate mass merchandisers, e-commerce online shopping, retail stores and digital products, develop new business models of online and offline integration, seize the opportunity of the recovery of the European and American household market, and further develop the household business.

(2) Financial Performance

Johnson Health Tech.'s 2023 consolidated revenue reached NTD 38.1 bn., which increased by 13.3% from last year's NTD 33.6 bn. The net profit after tax in 2023 amounted to NTD 0.71 bn., with the earnings per share of NTD 2.34.

The 2023 profit margin was 48%, increasing by 5% from the previous year. The operating profit (loss) rate in 2023 was 3.3%, while the previous years was (0.6%.) The 2023 net profit rate after-tax was 1.9%, increasing by 1.2% from the immediately preceding period's 0.7%.

The Consolidated Financial Statements:

(Unit: NTD in thousand)

YEAR / ITEM	2023	2022	Increase (Decrease) Rate
Operating Revenue	38,069,563	33,612,947	13.3%
Operating costs	19,642,253	19,006,576	3.3%
Operating margin (Loss)	18,427,310	14,606,371	26.2%
Operating expenses	1,7184,995	14,821,305	15.9%

Operating Profit (Loss)	1,242,315	(214,934)	-678.0%
Non-operating income and expenses	92,167	518,540	-82.2%
Profit before tax (Loss)	1,334,482	303,606	339.5%
Total income tax expense (Gains)	625,045	78,665	694.6%
Net income of continuing operation of the period (net loss)	709,437	224,941	215.4%
Net income (net loss) attributed to the owners of the parent	709,828	429,024	65.5%
Net income (net loss) attributed to the non-controlling interests	(391)	(204,083)	-99.8%
Total comprehensive income attributable to stockholders of the parent	349,354	754,701	-53.7%
Total comprehensive income attributable to non-controlling interests	(438)	(110,336)	-99.6%
Basic earnings per share (NTD)	2.34	1.42	64.6%

(3) Future Research and Development Strategies:

Main focus for new product research and development:

Commercial products:

(1) Top-class gyms products development and smart commercial weight training development.

(2) Introducing a digital interface to help gyms in expanding more group training courses.

(3) Developing the commercial second brand, Vision, providing the demands in the gyms market of developing countries, and entering the small and medium-sized gym market.

Household products:

(1) Development of gyms facilities in e-commerce household channels.

(2) Promotion of gyms APP software to link with Horizon household equipment and providing more value-added functions.

(3) Development of smart household gyms facilities, which may provide more diversified digital content.

(4) Development of subscription and use of digital content on different platforms.

II. Overview of 2024 business plan, future development and the impacts of the external competitive environment, regulatory environment, and overall business environment

(1) 2024 Business plan summary

A. Sale Division

1. Commercial Market:

50% of the global commercial market share in 2025.

a. Complete product series

b. Reinforcement of market shares in channels

c. Continuous improvement of core competitiveness

2. Household Market:

30% of the global household market share in 2030.

a. Development of O2O business model.

b. Development of fitness digital content business and establish new business model.

c. Market share of 30% and execute strategic integration.

3. Massage chair market:
   a. Expanding Japan's market and global market share.
   b. Development of overseas market.
   c. Proposal in gross margin improvement.
   d. IPO listing planning.

B. Product development strategy
   1. Establishing external strategic partners
   2. Reinforcing products and the R&D Division

C. Manufacturing
   1. Flexible utilization of the advantages of each manufacturing base to create group manufacturing benefits.
   2. Raising the self-manufacturing ratio
   3. Increasing key component unit development and production

D. Management
   1. Strengthening management team
   2. Cash flow improvement and key financial indicators.
   3. Future enterprise territory construction and resource mobilization.

(2) Impact of the external competitive environment, regulatory environment, and overall business environment

External competitive environment: In terms of the commercial market, Johnson Health Tech. is currently one of the top eight global chain store gym suppliers in the world, where a large proportion of its revenue growth comes from the demand for store expansions and machine replacements driven by the membership flow of gyms. However, how to maintain high growth momentum and prevent competitors from seizing Johnson's existing customer base requires investing more resources in product development and aftersales satisfaction. In view of this, Johnson Health Tech. has embarked on the strategy of extending the development of commercial products upward and downward in 2023, and new products is to be launched one after another in 2024. High-end club-type gyms and affordable small and medium-sized regional gyms are not Johnson's main battlefields. However, after the launch of new products, it is expected that Johnson's full-channel development in the commercial market will be driven, thereby promoting market share growth and preventing the penetration of competitors. The biggest challenge in the household market is that the entry barrier is low and there are many competitors. Therefore, to stand out among many suppliers, we must own competitive advantages in new product development, cost reduction, business model and marketing resource investment... etc. Johnson Health Tech. has set clear short, medium, and long-term strategies on these key points to ensure the continued growth of the household market.

Regulatory environment: Johnson continues to comply with the regulatory requirements of each country, including EN957 of EU, ASTM F1250 of US, JIS T1214 and AS 4092 of Japan, etc. Among those, the EN 957, established by EU, is most rigid, which also set up complete applicable regulations in terms of gyms facilities in different pattern. The products produced by the Company all meet the requirements of EN 957 directive in order to ensure customers' safety in use. With regard to issues of sustainable management of ESG and carbon emissions, Johnson gradually implements necessary measures in accordance with legal regulations.

Impact of overall business environment: According to the statistics by Data Bridge, the global fitness equipment industry will have a compound growth rate of 7% from 2023 to 2035. Whether the COVID-19 pandemic has aroused people's attention to health or simply to keep in shape, the concepts and trends of sports and fitness around the world will only become more deeply rooted and enhanced. At all times, Johnson has always focused on its own business and resiliently adjusted its operating strategies at any time in response to the external environment, leading to its revenue growth year by year and success achievement consecutively. We are able to diversify business risks by Johnson's various operations, to gain cost advantages by vertical integration of manufacturing, and to win customers and dominate the market by rapid services locally. In recent years, when geopolitical crisis issues and US political trends have successively impacted Asian equipment suppliers, European and American customers are extremely uneasy about the stability of the Asian supply chain. However, under this situation, the advantages and benefits of Johnson's global layout has outshined.

Johnson Health Tech. Co., Ltd. is about to enter its 50th anniversary and expects to march into a stage of steady forward movement and higher growth, becomes a century-old enterprise with sustainable operations. Our company aims to become a leader in the industry and expects to win a global industry gold medal for Taiwan. Please do continue to provide support and guidance to the Johnson Group and the management team. Thank you!

Chairman: Peter Lo   Manager: Jason Lo   Chief Accounting Officer: Jacky Lee

【Attachment 2】

Johnson Health Tech. Co., Ltd.

Audit Committee's Review Report

The Board of Directors of this Company has prepared the 2023 Annual Business Report, Financial Statements & Earnings Distribution Statement, etc., among which the Financial Statements have been audited and certified by CPA Tony Huang and CPA Jonathan Chen of Ernst of Young Global Limited and an audit report has been prepared by them in this regard. The aforesaid Business Report, Financial Statements & Earnings Distribution Statement have been audited and determined to be correct and accurate by this Audit Committee. According to Article 14-4, the Securities and Exchange Act & Article 219, this Company Act, we hereby submit this report for your review.

Yours sincerely,

For the 2024 General Shareholders' Meeting of this Company

Johnson Health Tech. Co., Ltd.

Convener of Audit Committee: Hank Lin

Dated this 14th Day of March 2024

【Attachment 3】

Johnson Health Tech. Co., Ltd.
2023
Remuneration to Ordinary Directors and Independent Directors

Unit: NT$ Thousand

Title	Name	Director Remuneration								Total sum & Net profit rate after-tax for the total sum of A, B, C, D		Part-time remuneration								Total sum & Net profit rate after-tax for the total sum of A, B, C, D, E, F, G		Remuneration from parent or non-subsidiary transferred investment business
		Remuneration (A)		retirement pension (B)		Supervisor remuneration (C)		Execution expense (D)				Remuneration, bonus, special expense (E)		Retirement pension (F)		Employee remuneration (G)						
		The Company	Companies in the consolidated financial report	The Company	Companies in the consolidated financial report	The Company	Companies in the consolidated financial report	The Company	Companies in the consolidated financial report	The Company	Companies in the consolidated financial report)	The Company	Companies in the consolidated financial report	The Company	Companies in the consolidated financial report	The Company		Companies in the consolidated financial report		The Company	Companies in the consolidated financial report	
																Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chairman	Peter Lo	-	-	-	-	600	600	36	36	636 0.09%	636 0.09%	1,711	1,711	-	-	-	-	-	-	2,347/ 0.33%	2,347/ 0.33%	-
Vice Chairman	Cindy Lo	-	-	-	-	600	600	36	36	636 0.09%	636 0.09%	1,711	1,711	-	-	-	-	-	-	2,347/ 0.33%	2,347/ 0.33%	-
Director	Jason Lo	-	-	-	-	600	600	36	36	636 0.09%	636 0.09%	6,452	6,452	-	-	-	-	-	-	7,088/ 1.00%	7,088/ 1.00%	-
Director	Tsai-Yao Lin	-	-	-	-	600	600	24	24	624 0.09%	624 0.09%	3,129	3,129	-	-	-	-	-	-	3,753/ 0.53%	3,753/ 0.53%	-
Director	Spencer Hsieh	-	-	-	-	600	600	36	36	636 0.09%	636 0.09%	-	-	-	-	-	-	-	-	636/ 0.09%	636/ 0.09%	-
Director	May Lo	-	-	-	-	600	600	36	36	636 0.09%	636 0.09%	3,048	3,048	-	-	-	-	-	-	3,684/ 0.52%	3,684/ 0.52%	-
Director	Teresa Lo	-	-	-	-	600	600	30	30	630 0.09%	630 0.09%	-	-	-	-	-	-	-	-	630/ 0.09%	630/ 0.09%	-
Director	Yih-Horng, Lin (Note 1)	-	-	-	-	600	600	54	54	654 0.09%	654 0.09%	-	-	-	-	-	-	-	-	654/ 0.09%	654/ 0.09%	-
Director	Vincent Chen (Note 1)	-	-	-	-	600	600	42	42	642/ 0.09%	642/ 0.09%	-	-	-	-	-	-	-	-	642/ 0.09%	642/ 0.09%	-
Independent Director	Hong-Guang Lin (Note2)	-	-	-	-	800	800	48	48	848/ 0.12%	848/ 0.12%	-	-	-	-	-	-	-	-	848/ 0.12%	848/ 0.12%	-
Independent Director	Chung-Hsian Liu (Note 2)	-	-	-	-	800	800	48	48	848/ 0.12%	848/ 0.12%	-	-	-	-	-	-	-	-	848/ 0.12%	848/ 0.12%	-
Independent Director	Ruei-Lin Liu (Note2)	-	-	-	-	800	800	42	42	842/ 0.12%	842/ 0.12%	-	-	-	-	-	-	-	-	842/ 0.12%	842/ 0.12%	-
Independent Director	Wen-Ren Chung (Note 2)	-	-	-	-	800	800	42	42	842/ 0.12%	842/ 0.12%	-	-	-	-	-	-	-	-	842/ 0.12%	842/ 0.12%	-

Note 1: Resignation of independent directors/new directors on June28, 2023.

Note 2: New service on June 28, 2023.

Johnson Health Tech. Co., Ltd.

Ethical Corporate Management Best Practice Principles

Article 1 (Purpose of Establishment and Scope of Application)
These Principles are adopted to assist this company to foster a corporate culture of ethical management and sound development and offer a reference framework for establishing good commercial practices. This company adopts its own ethical corporate management best practice principles applicable to its business groups and organizations of the Company and also its subsidiaries.

Article 2 (Unethical Conduct Prohibited)
1. When engaging in commercial activities, directors, managers, employees, and mandataries of the Company or persons having substantial control over such companies ("substantial controllers") shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, nor commit unethical acts including breach of ethics, illegal acts, or breach of fiduciary duty ("unethical conduct") for purposes of acquiring or maintaining benefits.
2. Parties referred to in the preceding paragraph include civil servants, political candidates, political parties or members of political parties, state-run or private-owned businesses or institutions, and their directors, managers, employees or substantial controllers or other stakeholders.

Article 3 (Types of Benefits)
"Benefits" in these Principles means any valuable things, including money, endowments, commissions, positions, services, preferential treatment or rebates of any type or in any name. Benefits received or given occasionally in accordance with accepted social customs and that do not adversely affect specific rights and obligations shall be excluded.

Article 4 (Regulations Compliance)
This company shall comply with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Statute, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, TWSE/TPEx listing rules, or other laws or regulations regarding commercial activities, as the underlying basic premise to facilitate ethical corporate management.

Article 5 (Policies)
This company shall abide by the operational philosophies of honesty, transparency and responsibility, formulate corporate culture and value with base policies on the principle of good faith and establish good corporate governance and risk control and management mechanism so as to create an operational environment for sustainable development.

Article 6 (Prevention Programs)
1. This company in its own ethical management policy clearly and thoroughly prescribes the specific ethical management practices and the programs to forestall unethical conduct, and the prevention programs include operational procedures, guidelines, and training, such as mobilization monthly meetings, on-site audits, smooth channels for complaints, etc.
2. When establishing the prevention programs, this company shall comply with relevant laws and regulations of the territory where the companies and their business group are operating.
3. In the course of developing the prevention programs, this company is advised to negotiate with staff, labor unions members, important trading counterparties, or other stakeholders.

Article 7 (Scope of Prevention Programs)
This company shall analyze on a regular basis business activity within their business scope which are at a

higher risk of being involved in unethical conduct, and reinforce relative prevention programs. The Company shall at least include preventive measures against the following:
1. Offering and acceptance of bribes.
2. Illegal political donations.
3. Improper charitable donations or sponsorship.
4. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits.
5. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights.
6. Engaging in unfair competitive practices.
7. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services.

Article 8 (Commitment and Compliance)
This company and the respective business group shall clearly specify in their rules and external documents the ethical corporate management policies and the commitment by the board of directors and senior management on rigorous and thorough implementation of such policies, and shall carry out the policies in internal management and in commercial activities.

Article 9 (Ethical Management in Commercial Activities)
1. This company shall engage in commercial activities in a fair and transparent manner based on the principle of ethical management. Prior to any commercial transactions, the Company shall take into consideration the legality of their agents, suppliers, clients, or other trading counterparties and whether any of them are involved in unethical conduct, and shall avoid any dealings with persons so involved.
2. When entering into contracts with their agents, suppliers, clients, or other trading counterparties, this company shall include in such contracts terms requiring compliance with ethical corporate management policy and that in the event the trading counterparties are involved in unethical conduct, we may at any time terminate or rescind the contracts.

Article 10 (Prohibition of Giving and Receiving Bribes)
When conducting business, the Company and their directors, managers, employees, mandataries, and substantial controllers, may not directly or indirectly offer, promise to offer, request, or accept any improper benefits in whatever form to or from clients, agents, contractors, suppliers, public servants, or other stakeholders.

Article 11 (Prohibition of Illegal Political Contributions)
When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, this company and its directors, managers, employees, mandataries, and substantial controllers, shall comply with the Political Donations Act and their own relevant internal operational procedures, and shall not make such donations in exchange for commercial gains or business advantages.

Article 12 (Prohibition of Illegal Donations and Sponsorship)
When making or offering donations and sponsorship, the Company and its directors, managers, employees, mandataries, and substantial controllers shall comply with relevant laws and regulations and internal operational procedures, and shall not surreptitiously engage in bribery.

Article 13 (Prohibition of Unreasonable Presents, Hospitality or Other Improper Benefits)
This company and its directors, managers, employees, mandataries, and substantial controllers shall not directly or indirectly offer or accept any unreasonable presents, hospitality or other improper benefits to

establish business relationship or influence commercial transactions.

Article 14 (Prohibition of intellectual property Infringement)
This company and its directors, managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations, the Company's internal operational procedures, and contractual provisions concerning intellectual property, and may not use, disclose, dispose, or damage intellectual property or otherwise infringe intellectual property rights without the prior consent of the intellectual property rights holder.

Article 15 (Prohibition of Unfair Competition Engagement)
This company shall engage in business activities in accordance with applicable competition laws and regulations, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.

Article 16 (Preventing Products and Services from Damaging the Stakeholders)
In the course of research and development, procurement, manufacture, provision, or sale of products and services, this company and its directors, managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations and international standards to ensure the transparency of information about, and safety of, their products and services. They shall also adopt and publish a policy on the protection of the rights and interests of consumers or other stakeholders, and carry out the policy in their operations, with a view to preventing their products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders. Where there are sufficient facts to determine that the Company's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, the Company shall, in principle, recall those products or suspend the services immediately.

Article 17 (Purpose and Scope)
The directors, managers, employees, mandataries, and substantial controllers of the Company shall exercise the due care of good administrators to urge the Company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies. To achieve sound ethical corporate management, the Sustainability Development Office is responsible for supervising the implementation of the ethical corporate management policies and in charge of the following matters, and shall report to the board of directors on a regular basis:

1. Assisting in incorporating ethics and moral values into the Company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.
2. Preventing unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business.
3. Promoting and coordinating awareness and educational activities with respect to ethics policy.
4. Developing a whistle-blowing system and ensuring its operating effectiveness.
5. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.

Article 18 (Laws and Regulations Compliance when Conducting Business)
This company and its directors, managers, employees, mandataries, and substantial controllers shall comply with laws and regulations and the prevention programs when conducting business.

Article 19 (Conflict Prevention)

1. The Company adopts policies for preventing conflicts of interest to identify, monitor, and manage risks possibly resulting from unethical conduct, and shall also offer appropriate means for directors, managers, and other stakeholders attending or present at board meetings to voluntarily explain whether their interests would potentially conflict with those of the Company.
2. When a proposal at a given board of directors meeting concerns the personal interest of, or the interest of the juristic person represented by, any of the directors, managers, and other stakeholders attending or present at board meetings of the Company, the concerned person shall state the important aspects of the relationship of interest at the given board meeting. If his or her participation is likely to prejudice the interest of the Company, the concerned person may express opinions and answer questions, not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director. The directors shall practice self-discipline and must not support one another in improper dealings.
3. This company and its directors, managers, employees, mandataries, and substantial controllers shall not take advantage of their positions or influence in the companies to obtain improper benefits for themselves, their spouses, parents, children or any other person.

Article 20 (Accounting and Internal Control)

1. The Company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in an unethical conduct, not have under-the-table accounts or keep secret accounts, and conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results.
2. The internal audit unit of the Company shall conduct regular assessment on implementation status of preceding regulations, put down in writing in the form of an audit report to be submitted to the board of directors and may engage a certified public accountant to carry out the audit, and may engage professionals to assist if necessary.

Article 21 (Operational Procedures and Guidelines)

The Company shall establish operational procedures and guidelines in accordance with Article 6 hereof to guide directors, managers, employees, and substantial controllers on how to conduct business. The procedures and guidelines should at least contain the following matters:

1. Standards for determining whether improper benefits have been offered or accepted.
2. Procedures for offering legitimate political donations.
3. Procedures and the standard rates for offering charitable donations or sponsorship.
4. Rules for avoiding work-related conflicts of interests and how they should be reported and handled.
5. Rules for keeping confidential trade secrets and sensitive business information obtained in the ordinary course of business.
6. Regulations and procedures for dealing with suppliers, clients and business transaction counterparties suspected of unethical conduct.
7. Handling procedures for violations of these Principles.
8. Disciplinary measures on offenders.

Article 22 (Training and Appraisal)

1. The chairman, general manager, or senior management of the Company shall communicate the importance of corporate ethics to its directors, employees, and mandataries on a regular basis.
2. The Company shall periodically organize training and awareness programs for directors, managers, employees, mandataries, and substantial controllers and invite the companies' commercial transaction counterparties, so they understand the companies' resolve to implement ethical corporate management, the related policies, prevention programs and the consequences of committing unethical conduct.
3. The Company shall apply the policies of ethical corporate management when creating its employee

performance appraisal system and human resource policies to establish a clear and effective reward and discipline system.

Article 23 (Whistle-blowing System)

A. The Company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following:
   1. An independent mailbox or hotline, either internally established and publicly announced or provided by an independent external institution, to allow internal and external personnel of the Company to submit reports.
   2. Dedicated personnel or unit appointed to handle the whistle-blowing system. Any tip involving a director or senior management shall be reported to the audit committee. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted.
   3. Follow-up measures to be adopted depending on the severity of the circumstances after investigations of cases reported are completed. Where necessary, a case shall be reported to the competent authority or referred to the judicial authority.
   4. Documentation of case acceptance, investigation processes, investigation results, and relevant documents.
   5. Confidentiality of the identity of whistle-blowers and the content of reported cases, and an undertaking regarding anonymous reporting.
   6. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing.
   7. Whistle-blowing incentive measures.

B. When material misconduct or likelihood of material impairment to the Company comes to their awareness upon investigation, the dedicated personnel or unit handling the whistle-blowing system shall immediately prepare a report and notify the independent directors in written form.

Article 24 (Disciplinary and Appeal System)

The Company’s disciplinary and appeal system for handling violations of the ethical corporate management rules, if the investigation reveals violations of ethical management regulations, such cases will be reported to the committee and punishment conducted depending on the severity of the case.

Article 25 (Information Disclosure)

The Company shall disclose the status of implementation of ethical corporate management on the Company websites and annual reports.

Article 26 (Ethical Corporate Management Policies and Reviews and Revisions of Measurements)

The Company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage their directors, managers, and employees to make suggestions, based on which the adopted ethical corporate management policies taken will be reviewed and improved with a view to achieving better implementation of ethical management.

Article 27 (Implementation)

The ethical corporate management best practice principles of the Company shall be implemented after the board of directors grants the approval, and the same procedure shall be followed when the principles have been amended.

Established and approved by the board of directors on March 14, 2024.

【Attachment 5】

AUDIT REPORT OF INDEPENDENT ACCOUNTANTS

English Translation of a Report Originally Issued in Chinese

To Johnson Health Tech. Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Johnson Health Tech. Co., Ltd. and subsidiaries (the "Group") as at 31 December 2023 and 2022, the related consolidated statements of comprehensive income, statements of changes in equity and cash flows for the years ended 31 December 2023 and 2022, and notes to the consolidated financial statements, including the summary of material accounting policies (collectively referred to as "the consolidated financial statements").

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023 and 2022, and their consolidated financial performance and cash flows for the years ended 31 December 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of accounts receivable

As at 31 December 2023, gross accounts receivable and allowance for bad debts by the Group amounted to NTD11,034,703 thousand and NTD552,484 thousand, respectively. Net accounts receivable represented 29% of total consolidated assets which were material to the Group. Since the amount of allowance for receivables is measured by the lifetime expected credit loss, the measurement process includes grouping the receivables and judging the use of the related assumptions in the analysis, including the appropriate accounting aging and the loss rate of each aging interval. As the measurement of expected credit losses involved judgment, analysis and estimation. we, therefore, determined this a key audit matter.

Our audit procedures included, but not limited to: assessing the effectiveness of internal controls around accounts receivable management, including performing simple tests by sampling and understanding management's assessment for expected credit losses of accounts receivable; dividing the expected loss rate of risk group and each group; selecting samples to perform the accounts receivable confirmation, analyzing trends of changes in account receivable of prior and subsequent periods and turnover rates; and reviewing the collection in the subsequent period to assess their recoverability; performing an assessment of the reasonableness of impairment for individual long term accounts receivable.

We also assessed the adequacy of the disclosures related to accounts receivable in Notes 5 and 6.

Inventory valuation

As at 31 December 2023, the net inventories amounted to NTD9,039,224 thousand, accounting for 25% of the total consolidated assets. As products are vulnerable to fluctuating market demands and fast technological changes which may cause obsolete and slow-moving inventory losses, the determination of the provisions for obsolete inventories involved a high level of management judgment. As such, we determined this to be a key audit matter.

Our audit procedures included, but were not limited to: assessing the effectiveness of inventory internal control established by management, including performing simple tests by sampling and understanding management's assessment for inventory valuation; evaluating the adequacy of accounting policy around obsolete and slow-moving inventories; obtaining inventory aging intervals to test whether the aging reports were reasonable; selecting important storage locations to observe inventory counts; in addition, we obtained inventory movement report, sampled related certificates of purchases and sales to verify the unit cost and access the net realizable value of inventories valuation.

We also assessed the adequacy of the disclosures related to inventories in Notes 5 and 6.

Goodwill impairment

As at 31 December 2023, the goodwill was carried at NTD2,247,535 thousand which represented 6% of total consolidated assets. The Company performed impairment testing on the cash-generating units according to the International Financial Reporting Standards. The recoverable amount of the cash-generating units have been determined based on the value in use because their fair value cannot be reliably measured. We determined goodwill assessment to be a key audit matter because the carrying amounts of goodwill were material to the Group, the determination of value in use was complex, and a high level of management judgment was involved when making assumptions about cash flow forecasts.

Our audit procedures included, but were not limited to: evaluating the management's assessment of value in use; involving internal expert to assist us in evaluating the reasonableness of key assumptions used by management such as growth rates, discount rates, and gross margin; involving internal expert to assist us in evaluating the reasonableness of key components of discount rates such as cost of capital, company-specific risk premium and market risk premium by comparing them to other companies of similar size with the cash-generating units; interviewing with management and assessing the reasonableness of assumptions used in their models such as gross margin, growth rates, and the expected future market and economic conditions; challenging management's budgeting process by comparing the actual financials to date versus previously forecasted financials and management's forecasting process by comparing the assumptions to the historic performance of the Company.

We also assessed the adequacy of the disclosures related to goodwill assessment in Notes 5 and 6.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Group. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2023 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Others

Others

We have audited and expressed an unqualified opinion on the parent company only financial statements of the Company as at and for the years ended 31 December 2023 and 2022.

Huang, Tzu Ping

Chen, Ming Hung

Ernst & Young, Taiwan

14 March 2024

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

English Translation of Consolidated Financial Statements Originally Issued in Chinese
JOHNSON HEALTH TECH. CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
31 December 2023 and 31 December 2022
(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	31 December 2023	31 December 2022
		Amount	Amount
Current Assets			
Cash and cash equivalents	4&6(1)	$2,341,417	$3,531,554
Financial assets at fair value through profit or loss, current	4&6(2)	14,162	8,746
Financial assets measured at amortized cost, current	4&12	16,597	-
Contract asset, current	4,6(17)&(18)	27,259	43,325
Notes receivable, net	4&6(18)	80,421	85,444
Trade receivables, net	4,6(3)&(18)	10,482,219	8,692,416
Other accounts receivable, net	4&8	434,611	1,167,768
Inventories, net	4&6(4)	9,039,224	11,808,413
Prepayments	4	1,066,366	925,837
Other current assets		107,588	155,938
Total Current Assets		23,609,864	26,419,441
Non-current assets			
Investments in equity instruments measured at fair value through other comprehenive income	4&12	8,707	7,444
Property, Plant and Equipment	4,6(5)&8	4,580,639	4,494,351
Right-of-use assets	4,6(19)&8	2,871,402	2,209,517
Investment property	4	35,290	38,200
Intangible assets	4,6(6)&(7)	2,823,009	2,857,429
Deferred tax assets	4&6(23)	1,656,533	2,139,856
Other non-current assets		836,396	699,706
Total non-current assets		12,811,976	12,446,503
Total Assets		$36,421,840	$38,865,944

(continued)

English Translation of Consolidated Financial Statements Originally Issued in Chinese
JOHNSON HEALTH TECH. CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (Continued)
31 December 2023 and 31 December 2022
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	31 December 2023	31 December 2022
		Amount	Amount
Current Liabilities			
Short-term borrowings	4&6(8)	$5,029,244	$12,277,783
Commercial paper payable	4&6(10)	449,633	849,648
Financial liabilities at fair value through profit or loss, current	4&6(11)	19,050	879
Contract liabilities, current	4&6(17)	920,701	830,872
Notes payable		245,234	466,946
Accounts payable		4,088,101	4,290,595
Other payables	6(12)	3,762,873	3,567,656
Current tax liabilities	4&6(23)	628,999	708,784
Lease liabilities, current	4&6(19)	690,843	607,062
Current portion of long-term loans	4&6(13)	2,119,974	1,024,064
Other current liabilities		169,669	175,301
Total Current Liabilities		18,124,321	24,799,590
Non-current liabilities			
Bonds payable	4&6(9)	-	2,000,000
Long-term loans	4&6(13)	5,959,452	446,964
Provisions, non-current	4&6(12)	311,003	263,069
Deferred tax liabilities	4&6(23)	147,583	167,017
Lease liabilities, non-current	4&6(19)	1,908,383	1,245,219
Net defined benefit obligation, non-current	5&6(14)	74,304	83,493
Other non-current liabilities	4	247,351	378,312
Total non-current liabilities		8,648,076	4,584,074
Total Liabilities		26,772,397	29,383,664
Equity			
Capital			
Common stock	4&6(15)	3,036,166	3,036,166
Additional paid-in capital	4&6(15)	431,446	431,446
Retained earnings	4&6(15)		
Legal reserve		1,555,699	1,512,422
Special reserve		1,620,071	1,942,009
Unappropriated earnings		5,031,884	4,226,611
Subtotal		8,207,654	7,681,042
Other components of equity		(1,979,082)	(1,620,071)
Treasury stock	4&6(15)	(53,612)	(53,612)
Equity attributable to owners of the parent		9,642,572	9,474,971
Non-controlling interests	6(16)	6,871	7,309
Total equity		9,649,443	9,482,280
Total liabilities and equity		$36,421,840	$38,865,944

(The accompanying notes form an integral part of the consolidated financial statements)

English Translation of Consolidated Financial Statements Originally Issued in Chinese
JOHNSON HEALTH TECH. CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

		For the years ended December 31	
	Notes	2023	2022
		Amount	Amount
Operating revenues	4,6(17)&7	$38,069,563	$33,612,947
Operating costs	4,6(4)&(20)	(19,642,253)	(19,006,576)
Gross Profit		18,427,310	14,606,371
Operating Expenses			
Selling and distribution	6(20)	(8,355,546)	(6,814,394)
General and administrative	6(20)	(7,630,247)	(7,075,283)
Research and development	6(20)	(1,061,934)	(913,224)
Expected credit losses	5&6(18)	(137,268)	(18,404)
Total Operating Expenses		(17,184,995)	(14,821,305)
Operating Income		1,242,315	(214,934)
Non-operating income and expenses			
Interset income	4&6(21)	194,186	165,172
Other income	4&6(21)	75,812	614,737
Other gains and losses	6(21)	199,639	(5,189)
Finance costs	6(21)	(377,470)	(256,180)
Total non-operating income and expenses		92,167	518,540
Income from continuing operations before income tax		1,334,482	303,606
Income tax expense	4,5&6(23)	(625,045)	(78,665)
Net income		709,437	224,941
Other comprehensive income			
Items that may not to be reclassified subsequently to profit or loss			
Remeasurements of defined benefit plans	4&6(22)	(1,828)	4,674
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	4&6(22)	24	(745)
Income tax relating to items that may not be reclassified subsequently	4&6(22)	365	(618)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations	4&6(22)	(359,082)	496,704
Income tax relating to items that may be reclassified subsequently	4&6(22)	-	(80,591)
Total other comprehensive loss , net of tax		(360,521)	419,424
Total comprehensive income		$348,916	$644,365
Net income attributable to:			
Stockholders of the parent		$709,828	$429,024
Non-controlling interests		(391)	(204,083)
		$709,437	$224,941
Comprehensive income attributable to:			
Stockholder of the parent		$349,354	$754,701
Non-controlling interests		(438)	(110,336)
		$348,916	$644,365
Earnings per share (NTD)	4&6(24)		
Earnings per share-basic		$2.34	$1.42
Earnings per share-diluted		$2.34	$1.42

The accompanying notes are an integral part of the consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese
JOHNSON HEALTH TECH. CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

			Retained Earnings			Other equity interest					
Description	Common Stock	Additional Paid-in Capital	Legal Reserve	Special reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury stock	Total	Non-Controlling Interests	Total Equity
Balance as at 1 January 2022	$3,036,166	$59,979	$1,509,898	$1,385,492	$4,504,183	$(1,942,671)	$662	$(73,872)	$8,479,837	$901,347	$9,381,184
Distribution of 2021 retained earnings											
Legal reserve			2,524		(2,524)				-		-
Special reserve				556,517	(556,517)				-		-
Cash dividends					(151,294)				(151,294)		(151,294)
Net income in 2022					429,024				429,024	(204,083)	224,941
Other comprehensive loss, net of tax in 2022					3,739	322,366	(428)		325,677	93,747	419,424
Total comprehensive income	-	-	-	-	432,763	322,366	(428)	-	754,701	(110,336)	644,365
Capital surplus, difference between consideration and carrying amount of subsidiaries acquired or disposed		371,467							371,467	(622,907)	(251,440)
Exercise employee stock option to purchase treasury stock								20,260	20,260		20,260
Decrease in non-controlling interests									-	(160,795)	(160,795)
Balance as at 31 December 2022	$3,036,166	$431,446	$1,512,422	$1,942,009	$4,226,611	$(1,620,305)	$234	$(53,612)	$9,474,971	$7,309	$9,482,280
Balance as at 1 January 2023	$3,036,166	$431,446	$1,512,422	$1,942,009	$4,226,611	$(1,620,305)	$234	$(53,612)	$9,474,971	$7,309	$9,482,280
Distribution of 2022 retained earnings											
Legal reserve			43,277		(43,277)				-		-
Special reserve				(321,938)	321,938				-		-
Cash dividends					(181,753)				(181,753)		(181,753)
Net income in 2023					709,828				709,828	(391)	709,437
Other comprehensive loss, net of tax in 2023					(1,463)	(359,035)	24		(360,474)	(47)	(360,521)
Total comprehensive income	-	-	-	-	708,365	(359,035)	24	-	349,354	(438)	348,916
Balance as at 31 December 2023	$3,036,166	$431,446	$1,555,699	$1,620,071	$5,031,884	$(1,979,340)	$258	$(53,612)	$9,642,572	$6,871	$9,649,443

(The accompanying notes are an integral part of the consolidated financial statements.)

English Translation of Consolidated Financial Statements Originally Issued in Chinese
JOHNSON HEALTH TECH. CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31	
	2023	2022
Cash flows from operating activities:		
Net income before income tax	$1,334,482	$303,606
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	1,305,774	1,124,453
Amortisation	92,225	82,127
Expected credit losses	137,268	18,404
Net (gain) loss of financial assets/liabilities at fair value through profit or loss	(3,842)	284
Finance costs	377,470	256,180
Interest income	(194,186)	(165,172)
Loss on disposal of property, plant and equipment	9,046	2,384
Loss on disposal of intangible assets	-	157
Changes in operating assets and liabilities:		
Decrease in contract asset	16,066	13,627
Decrease (Increase) in notes receivable	5,023	(8,985)
Increase in trade receivables	(1,892,216)	(1,193,762)
Dncrease (Increase) in other receivables	733,157	(674,469)
Dncrease (Increase) in inventories, net	2,769,189	(134,180)
Increase in prepayments	(303,357)	(17,826)
Dncrease (Increase) in other current assets	48,350	(58,483)
(Increase) Decrease in other non-current assets	(159,972)	286,748
Increase in contract liabilities	89,829	27,237
(Decrease) Increase in notes payable	(221,712)	66,489
(Decrease) Increase in accounts payable	(202,494)	111,908
Increase in other payables	344,349	505,021
Increase (Decrease) in provision	47,934	(56,862)
Decrease in other current liabilities	9,459	(57,401)
Decrease in accrued pension liabilities	(10,652)	(12,065)
(Decrease) Increase in other non-current liabilities	(130,961)	220,066
Cash generated from operations	4,200,229	639,486
Interest received	194,186	165,172
Interest paid	(407,151)	(222,813)
Income tax paid	(144,713)	(189,392)
Net cash generated from operating activities	3,842,551	392,453

	For the years ended December 31	
	2023	2022
Cash flows from investing activities:		
Acquisition of subsidiaries (Deduct the cash obtained)	-	(251,440)
Disposal of investment property	441	548
Acquisition of property, plant and equipment	(649,992)	(407,775)
Disposal of property, plant and equipment	25,883	24,017
Acquisition of intangible assets	(57,149)	(33,078)
Net cash used in investing activities	(680,817)	(667,728)
Cash flows from financing activities:		
Increase in short-term loans	40,047,200	47,931,445
Decrease in short-term loans	(47,234,038)	(43,254,385)
Increase in commercial paper payable	1,378,271	13,470,980
Decrease in commercial paper payable	(1,750,000)	(16,700,000)
Increase in long-term loans	17,840,929	1,610,985
Decrease in long-term loans	(13,202,472)	(1,338,156)
Cash dividends	(181,753)	(151,294)
Repayment of lease capital	(769,217)	(582,516)
Exercise of employee stock option	-	20,260
Decrease in non-controlling interests	-	(160,795)
Net cash (used in) generated from financing activities	(3,871,080)	846,524
Effect of changes in exchange rate on cash and cash equivalents	(480,791)	345,228
Net (decrease) increase in cash and cash equivalents	(1,190,137)	916,477
Cash and cash equivalents at beginning of period	3,531,554	2,615,077
Cash and cash equivalents at end of period	$2,341,417	$3,531,554

(The accompanying notes are an integral part of the consolidated financial statements.)

【Attachment 6】

AUDIT REPORT OF INDEPENDENT ACCOUNTANTS

English Translation of a Report Originally Issued in Chinese

To Johnson Health Tech. Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Johnson Health Tech. Co., Ltd. (the "Company") as of 31 December 2023 and 2022, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years ended 31 December 2023 and 2022, and notes to the parent company only financial statements, including the summary of significant accounting policies.

In our opinion, the parent company only financial statements referred to above present fairly, in all material respects, the parent company only financial position of the Company as of 31 December 2023 and 2022, and their parent company only financial performance and cash flows for the years ended December 31 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2023 the parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of accounts receivable (including subsidiaries' accounts receivable through equity method investment)

Accounts receivables of the Company and its subsidiaries through the equity method are material for the financial statements. Since the allowance for receivables is measured by the lifetime expected credit loss, the measurement process includes grouping the receivables and determining the use of the related assumptions in the analysis, including the appropriate accounting aging interval and the loss rate of each aging interval. As the measurement of expected credit losses involved judgment, analysis and estimation, we therefore considered this a key audit matter.

Our audit procedures included, but not limited to assessing the effectiveness of internal controls around accounts receivable management, including performing simple tests by sampling and understanding management's assessment for expected credit losses of accounts receivable; dividing the expected loss rate of risk group and each group; selecting samples to perform the accounts receivable confirmation, analyzing trends of changes in account receivable of prior and subsequent periods and turnover rates; reviewing the collection in the subsequent period to assess their recoverability; performing an assessment of the reasonableness of impairment for individual long term accounts receivable.

We also assessed the adequacy of disclosures related to accounts receivable in Notes 5 and 6.

Inventory valuation (including investment accounted for using the equity method – the subsidiaries' inventory)

Inventories of the Company are material for financial reports. The determination of the provisions for obsolete inventories involve a high level of management judgment and was subject to uncertainty due to product diversity. As such, we determined this to be a key audit matter.

Our audit procedures included, but were not limited to assessing the effectiveness of inventory internal control established by management, including performing simple tests by sampling and understanding management's assessment for inventory valuation; evaluating the adequacy of accounting policy around obsolete and slow-moving inventories; obtaining inventory aging intervals to test whether the aging reports were reasonable; selecting important storage locations to observe inventory counts; in addition, we obtained inventory movement report, sampled related certificates of purchases and sales to verify the unit cost and access the net realizable value of inventories valuation.

We also assessed the adequacy of the disclosures related to inventory valuation in Notes 5 and 6.

Goodwill impairment

The Company performed impairment testing on the cash-generating units according to the International Financial Reporting Standards. The recoverable amount of the cash-generating units have been determined based on the value in use because their fair value cannot be reliably measured. We determined goodwill assessment to be a key audit matter because the carrying amounts of goodwill were material to the Company and its subsidiaries, the determination of value in use was complex, and a high level of management judgment was involved when making assumptions about cash flow forecasts.

Our audit procedures included, but were not limited to: evaluating the management's assessment of value in use; involving internal expert to assist us in evaluating the reasonableness of key assumptions used by management such as growth rates, discount rates, and gross margin; involving internal expert to assist us in evaluating the reasonableness of key components of discount rates such as cost of capital, company-specific risk premium and market risk premium by comparing them to other companies of similar size with the cash-generating units; interviewing with management and assessing the reasonableness of assumptions used in their models such as gross margin, growth rates, and the expected future market and economic conditions; challenging management's budgeting process by comparing the actual financials to date versus previously forecasted financials and management's forecasting process by comparing the assumptions to the historic performance of the Company.

We also assessed the adequacy of the disclosures related to goodwill assessment in Notes 5 and 6.

Responsibilities of Management and Those Charged with Governance for the parent company only Financial Statements

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

In preparing the parent company only financial statements, management is responsible for assessing the going concern of the Company, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the parent company only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2023 the parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Huang, Tzu Ping

Chen, Ming Hung

Ernst & Young, Taiwan

14 March 2024

Notice to Readers

The accompanying parent company only financial statements are intended only to present the parent company only financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally accepted and applied in the Republic of China.

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
JOHNSON HEALTH TECH CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
31 December 2023 and 31 December 2022
(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of 31 December 2023 Amount	As of 31 December 2022 Amount
Current assets			
Cash and cash equivalents	4&6(1)	$311,840	$665,159
Financial assets at fair value through profit or loss, current	4,6(2)&12	14,162	8,746
Contract asset, current	4&6(16)	16,179	27,066
Notes receivable, net	4&6(17)	4,682	3,879
Trade receivables, net	4,6(3)&(17)	677,840	589,291
Trade receivables-related parties, net	4,6(3),(17)&7	7,367,940	9,751,428
Other accounts receivable, net	4&8	93,310	89,806
Other accounts receivable-related parties, net	4&7	1,749,436	1,421,331
Inventories, net	4&6(4)	1,198,855	1,604,104
Prepayments	6(5)	363,527	619,892
Other current assets		10,625	15,473
Total current assets		11,808,396	14,796,175
Non-current assets			
Investments accounted for under the equity method	4&6(6)	15,158,369	13,574,311
Property, plant and equipment	4,6(7)&8	1,171,422	1,203,928
Right-of-use assets	4&6(18)	114,010	104,299
Intangible assets	4	17,755	14,145
Deferred tax assets	4&6(22)	36,613	377,521
Other non-current assets		58,786	46,809
Total non-current assets		16,556,955	15,321,013
Total assets		$28,365,351	$30,117,188

(continued)

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese

JOHNSON HEALTH TECH CO., LTD.

PARENT COMPANY ONLY BALANCE SHEETS

31 December 2023 and 31 December 2022

(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	As of 31 December 2023 Amount	As of 31 December 2022 Amount
Current liabilities			
Short-term borrowings	6(8)	$4,260,000	$10,070,000
Commercial paper payable	6(10)	449,633	849,648
Financial liabilities at fair value through profit or loss, current	4,6(11)&12	19,050	879
Contract liabilities, current	4&6(16)	217,926	189,061
Notes payable		111,220	130,385
Accounts payable		551,999	716,927
Accounts payable-related parties	7	3,856,030	3,702,446
Other payables	6(12)	511,862	526,389
Other payables-related parties	7	251,678	388,057
Current tax liabilities	4&6(22)	384,925	347,793
Lease liabilities, current	4&6(18)	38,434	39,988
Current portion of long-term loans	4,6(9)&13	2,032,531	987,695
Other current liabilities		10,219	9,108
Total current liabilities		12,695,507	17,958,376
Non-current liabilities			
Bonds payable	4&6(9)	-	2,000,000
Long-term loans	4&6(13)	5,464,857	105,026
Provisions, non-current	4&6(12)	24,958	42,865
Deferred tax liabilities	4&6(22)	87,223	154,697
Lease liabilities, non-current	4&6(18)	77,904	67,681
Net defined benefit obligation, non-current	4&6(14)	74,304	83,493
Credit balance in investment accounted for using equity method	4&6(6)	298,017	230,070
Other non-current liability	4	9	9
Total non-current liabilities		6,027,272	2,683,841
Total liabilities		18,722,779	20,642,217
Equity	4&6(15)		
Capital			
Common stock		3,036,166	3,036,166
Additional paid-in capital		431,446	431,446
Retained earnings			
Legal reserve		1,555,699	1,512,422
Special reserve		1,620,071	1,942,009
Unappropriated earnings		5,031,884	4,226,611
Subtotal		8,207,654	7,681,042
Other components of equity			
Exchange differences on translation of foreign operations		(1,979,082)	(1,620,071)
Treasury stock		(53,612)	(53,612)
Total equity		9,642,572	9,474,971
Total liabilities and equity		$28,365,351	$30,117,188

(The accompanying notes are an integral part of the parent company only financial statements)

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese

JOHNSON HEALTH TECH CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

For the years ended 31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

		For the years ended 31 December	
	Notes	2023	2022
		Amount	Amount
Operating revenues	4,6(16)&7	$13,952,940	$13,642,388
Operating costs	6(4)&(19)	(10,812,339)	(10,525,354)
Gross profit		3,140,601	3,117,034
Unrealized intercompany profit		(62,040)	(107,333)
Gross profit-net		3,078,561	3,009,701
Operating expenses			
Selling and distribution	6(19)	(1,856,020)	(1,478,636)
General and administrative	6(19)	(399,080)	(358,521)
Research and development	6(19)	(711,694)	(637,399)
Expected credit losses	6(17)	(1,219)	-
Total operating expenses		(2,968,013)	(2,474,556)
Operating income		110,548	535,145
Non-operating income and expenses			
Interest income	4&6(20)	191,068	112,872
Other income	4&6(20)	61,799	87,558
Other gains and losses	6(20)	157,419	707,235
Finance costs	6(20)	(249,854)	(157,665)
Share of profit or loss of subsidiaries,associates and joint ventures	4&6(6)	550,835	(569,468)
Total non-operating income and expenses		711,267	180,532
Income from continuing operations before income tax		821,815	715,677
Income tax expense	4&6(22)	(111,987)	(286,653)
Net income		709,828	429,024
Other comprehensive (loss)income	6(21)		
Items that may not to be reclassified subsequently to profit or loss			
Remeasurements of defined benefit plans		(1,828)	4,674
Share of profit or loss of associates & joint ventures accounted for using equity method	6(6)	24	(428)
Income tax relating to items that may not be reclassified subsequently		365	(935)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations	6(6)	(359,035)	402,957
Income tax relating to items that may be reclassified subsequently		-	(80,591)
Total other comprehensive (loss)income, net of tax		(360,474)	325,677
Total comprehensive income		$349,354	$754,701
Earnings per share(NTD)	6(23)		
Earnings per share-basic		$2.34	$1.42
Earnings per share-diluted		$2.34	$1.42

(The accompanying notes are an integral part of the parent company only financial statements.)

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
JOHNSON HEALTH TECH CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
For the years ended 31 December 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

			Retained Earnings			Other components of equity			
	Common stock	Additional paid-in capital	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury stock	Total
Balance as of 1 January 2022	$3,036,166	$59,979	$1,509,898	$1,385,492	$4,504,183	$(1,942,671)	$662	($73,872)	$8,479,837
Distribution of 2021 retained earnings									
Legal reserve			2,524		(2,524)				-
Special reserve				556,517	(556,517)				-
Cash dividends					(151,294)				(151,294)
Net income in 2022					429,024				429,024
Other comprehensive income(loss), net of tax in 2022					3,739	322,366	(428)		325,677
Total comprehensive income(loss)	-	-	-	-	432,763	322,366	(428)	-	754,701
Capital surplus, difference between consideration and carrying amount of subsidiaries acquired or disposed		371,467							371,467
Exercise employee stock option to purchase treasury stock								20,260	20,260
Balance as of 31 December 2022	$3,036,166	$431,446	$1,512,422	$1,942,009	$4,226,611	$(1,620,305)	$234	($53,612)	$9,474,971
Balance as of 1 January 2023	$3,036,166	$431,446	$1,512,422	$1,942,009	$4,226,611	$(1,620,305)	$234	$(53,612)	$9,474,971
Distribution of 2022 retained earnings									
Legal reserve			43,277		(43,277)				-
Special reserve				(321,938)	321,938				-
Cash dividends					(181,753)				(181,753)
Net income in 2023					709,828				709,828
Other comprehensive (loss)income, net of tax in 2023					(1,463)	(359,035)	24		(360,474)
Total comprehensive income(loss)	-	-	-	-	708,365	(359,035) (	24	-	349,354
Balance as of 31 December 2023	$3,036,166	$431,446	$1,555,699	$1,620,071	$5,031,884	$(1,979,340)	$258	$(53,612)	$9,642,572

(The accompanying notes are an integral part of the financial statements)

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese

JOHNSON HEALTH TECH CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the years ended 31 December 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	For the years ended 31 December	
	2023	2022
Cash flows from operating activities:		
Net income before tax	$821,815	$715,677
Adjustments to reconcile net income to net cash provided		
by operating activities:		
Income and expense:		
Depreciation	140,113	130,228
Amortisation	10,291	6,716
Expected credit losses	1,219	-
Net loss of financial assets/liabilities at fair value through profit or loss	12,755	284
Finance costs	249,854	157,665
Interest income	(191,068)	(112,872)
Share of (gain)loss of subsidiaries,associates and joint ventures	(550,835)	569,468
(Gain) Loss on disposal of property,plant and equipment	(50)	1,200
Loss on disposal of intangible assets	-	5
Loss of realized intercompany profit	62,040	107,333
Changes in operating assets and liabilities:		
Decrease in contract asset	10,887	3,666
(Increase) Decrease in notes receivable, net	(803)	7,774
(Increase) Decrease in trade receivables, net	(89,768)	126,271
Decrease (Increase) in trade receivables- related parties, net	2,383,488	(2,418,622)
(Increase) Decrease in other receivable, net	(3,504)	344,997
Increase in other receivable- related parties, net	(328,105)	(25,531)
Decrease (Increase) in inventories, net	405,249	(44,603)
Increase in prepayments	256,365	670,952
Decrease in other current assets	4,848	19,315
Increase in other non-current assets	(48,200)	(40,458)
Increase (Decrease) in contract liabilities	28,865	(258,334)
Decrease in notes payable	(19,165)	(22,083)
Decrease in accounts payable	(164,928)	(39,194)
Increase in accounts payable-related parties	153,584	191,493
Decrease in other payables	(13,132)	(135,734)
(Decrease) Increase in other payables-related parties	(136,379)	61,582
(Decrease) Increase in provisions	(17,907)	5,815
Increase in other current liabilities	1,111	631
Decrease in accrued pension liabilities	(11,017)	(11,130)
Increase in other non-current liabilities	-	9
Cash generated from operations	2,967,623	12,520
Interest received	191,068	112,872
Interest paid	(175,536)	(123,234)
Income tax paid	(143,585)	(72,257)
Net cash generated from (used in) operating activities	2,839,570	(70,099)

	For the years ended 31 December	
	2023	2022
Cash flows from investing activities:		
Acquisition of investments accounted for under the equity method	(1,043,798)	(169,967)
Net cash flow from acquisition of subsidiaries	-	(251,440)
Disposal of investments accounted for under the equity method	-	40,984
Acquisition of property, plant and equipment	(24,710)	(82,711)
Disposal of property,plant and equipment	50	844
Acquisition of intangible assets	(13,901)	(11,570)
Received Cash dividend	-	50,825
Net cash used in investing activities	(1,082,359)	(423,035)
Cash flows from financing activities:		
Increase in short-term loans	43,473,657	41,715,000
Decrease in short-term loans	(49,283,657)	(37,700,143)
Increase in commercial paper payable	1,338,271	13,470,980
Decrease in commercial paper payable	(1,750,000)	(16,700,000)
Increase in long-term loans	17,531,423	1,271,952
Decrease in long-term loans	(13,190,755)	(1,328,576)
Cash dividends	(181,753)	(151,294)
Repayment of lease capital	(47,716)	(47,509)
Exercise of employee stock option	-	20,260
Net cash (used in) generated from financing activities	(2,110,530)	550,670
Net (decrease) increase in cash and cash equivalents	(353,319)	57,536
Cash and cash equivalents at beginning of period	665,159	607,623
Cash and cash equivalents at end of period	$311,840	$665,159

(The accompanying notes are an integral part of the financial statements)

【Attachment 7】

Johnson Health Tech. Co., Ltd.

Earnings Distribution Statement

2023

(Unit: NT$)

	ITEM	
	Unappropriated earnings at the beginning of the period	4,323,518,414
Less	Other comprehensive loss, net of tax (Re-measurements of defined benefit plan)	(1,462,332)
Plus	Net income after tax in 2023	709,827,661
Less	Account special surplus reserve	(359,011,212)
Less	Account legal surplus reserve (Note 1)	(70,836,533)
	Distributable earnings for this period	4,602,035,998
Less	Distribution Items:	
	Bonus for shareholders – Cash dividend (NT$1 per share)	(302,921,617)
	Accumulated unappropriated earnings at the end of the period	4,299,114,381

Chairman: Peter Lo Manager: Jason Lo Chief Accounting Officer: Jacky Lee

Note 1: In addition to the income tax withheld according to the law, the net income this Company gains in the final accounts each year should first make up the losses in the past years; then, 10% of its balance should be withdrawn and deposited as the legal surplus and account or reverse the special surplus reserve pursuant to the law; if the balance is left, the distributable dividend of preferred shares in the said year shall be distributed on a top priority basis; for the balance, altogether with the undistributed earnings at the beginning of the period, the Board of Directors shall prepare the earnings distribution proposal; if the distribution is made by issuing new shares, it shall be submitted to the shareholders' meeting for a resolution.

When the preceding legal surplus reserve has accumulated to reach the paid-in capital of this Company, the legal surplus reserve shall not be accounted.

When whole or partial bonus distributed to shareholders, as specified in the first paragraph, is paid in cash, a resolution shall be passed by the meeting of the Board of Directors under authorization, wherein two-thirds or more of directors attend with the consent of a majority of attending directors, and a report thereof shall be submitted to the shareholders' meeting.

Note 2: Share number for this distribution = 303,616,617 issued shares– 695,000 treasury shares = 302,921,617 shares; if subsequently the rate of dividend distribution for the shareholders should vary due to the transfer of this Company's repurchased shares and treasury shares or other reasons so that it is necessary to make the amendment, we intend to propose the amendment in the shareholders' meeting for the full authorization to the chairman of the Board of Directors to deal with it.

Note 3: The earnings in 2023 shall be distributed on a top priority.

【Attachment 8】

Johnson Health Tech. Co., Ltd.

Cross Reference Table on Articles of the "Regulations Governing Operational Procedure of Loaning of Funds to Others"

<table>
<tr><th>After Amendments</th><th>Current Articles</th><th>Reason</th></tr>
<tr>
<td>Article 4 The aggregate amount of loans and the maximum amount permitted to a single borrower.
1. (Omitted)
2. Maximum Amount Permitted to a Single Borrower:
A. Where an inter-company or inter-firm business transaction with the Company:
a. Overseas subsidiaries in which the Company holds, directly or indirectly 100% of the voting shares, and the amount may not exceed fifty percent of the net worth of the Company.
b. For companies or firms other than those listed above, the limit shall not exceed 20% of the Company's net worth or the balance of business transactions between the two parties, whichever is lower. The aforementioned business balance refers to the purchase or sales amount between the two parties within <u>two</u> years, whichever is higher.
B. Where a short-term financing facility is necessary provided that the amount of such financing facility shall not exceed twenty percent of the amount of the net value of the lending enterprise.
3. (Omitted)</td>
<td>Article 4 The aggregate amount of loans and the maximum amount permitted to a single borrower.
1. (Omitted)
2. Maximum Amount Permitted to a Single Borrower:
A. Where an inter-company or inter-firm business transaction with the Company:
a. Overseas subsidiaries in which the Company holds, directly or indirectly 100% of the voting shares, and the amount may not exceed fifty percent of the net worth of the Company.
b. For companies or firms other than those listed above, the limit shall not exceed 20% of the Company's net worth or the balance of business transactions between the two parties, whichever is lower. The aforementioned business balance refers to the purchase or sales amount between the two parties within <u>one</u> year, whichever is higher.
B. Where a short-term financing facility is necessary provided that the amount of such financing facility shall not exceed twenty percent of the amount of the net value of the lending enterprise.
3. (Omitted)</td>
<td>When engaging in loans of funds due to business relationships, the limit assessment criteria for individual objects shall be based on the Company's operating turnover period to modify the period of its business dealings.</td>
</tr>
</table>

APPENDIX

【Appendix 1】

Articles of Incorporation
of
Johnson Health Tech. Co., Ltd.

Chapter I General Provisions

Article 1 : This Company is incorporated, as a company limited by shares, under this Company Law of the Republic of China, and its name is 喬山健康科技股份有限公司 in the Chinese language, and JOHNSON HEALTH TECH. CO., LTD. in the English language.

Article 2 : The scope of business of this Company is as follows:

1. CF01011 Manufacturing of medical facilities.
2. F108031 Wholesale of medical facilities.
3. F208031 Retail of medical facilities.
4. CH01010 Manufacturing of sporting goods.
5. F109070 Wholesale of cultural & educational goods, musical instrument & recreational supplies.
6. F209060 Retail of cultural & educational goods, musical instrument & recreational supplies.
7. CQ01010 Manufacturing of molds.
8. F106030 Wholesale of molds.
9. F206030 Retail of molds.
10. CC01990 Manufacturing of other electrical & electronic machinery & devices.
11. CC01080 Manufacturing of electronic components.
12. F119010 Wholesale of electronic materials.
13. F219010 Retail of electronic materials.
14. J801030 Athletics & creational sports stadium.
15. JE01010 Lease business.
16. CC01101 Manufacturing of controlled telecommunications radio-frequency devices.
17. F401021 Import of controlled telecommunication radio-frequency devices.
18. F113070 Wholesale of telecommunications devices.
19. F213060 Retail of telecommunication devices.
20. C104020 Manufacturing of baked & steamed food.
21. F101130 Wholesale of vegetable & fruit.
22. F102020 Whole of edible fat.
23. F102040 Whole of drink.
24. F102050 Whole of tea.
25. F102170 Whole of groceries.
26. F106020 Whole of daily necessities.
27. F108040 Whole of cosmetic.
28. F201010 Retail of farming products.
29. F203010 Retail of groceries & drink.
30. F206020 Retail of daily necessities.
31. F208040 Retail of cosmetic.
32. F399040 Retail without storefront.
33. F401010 International trade.
34. F501060 Restaurant.
35. F118010 Whole of information software.
36. F218010 Retail of information software.
37. F204110 Retail of fabrics, clothes, shoes, hat, umbrella & clothing accessories.
38. F104110 Whole of fabrics, clothes, shoes, hat, umbrella & clothing accessories.
39. I102010 Investment consultation.

40. I103060 Management consultation.
41. I301010 Information software servicing.
42. I301020 Data processing servicing.
43. I301030 Electronic information provision servicing.
44. I401010 General advertisement servicing.
45. I502010 Costume design.
46. I501010 Product design.
47. J305010 Audio publishing.
48. J602010 Performing art.
49. J701070 Information recreation.
50. J802010 Sports training.
51. ZZ99999 Except for the licensed business, it is permitted to operate the businesses, which are not prohibited or limited by the law.

Article 3 : This Company sets up its head office in Taichung City, Taiwan and if necessary, the domestic and overseas branches shall be established via the resolution of the Board of Directors according to the law.

Article 4 : Public announcement of this Company shall be made in accordance with Article 28 of the Company Act.

Chapter II Shares

Article 5: The total capital stock of this Company shall be in the amount of 4,500,000,000 New Taiwan Dollars, divided into 450,000,000 shares, at ten New Taiwan Dollars each, and may be issued in installments by authority of the Board of Directors, in which part of preferred shares shall be issued; therein 20,000,000 shares shall be retained for use of stock option exercise of the stock option certificates, including the employee stock option certificate and the corporate bond with warrant.

Article 5-1: The rights and obligations of this Company's preferred shares and other important issuance conditions are as follows:

1. In case that this Company gains earnings in the annual final accounts, in addition to the income tax withheld according to the law, the earnings should first make up the losses in the past years, next account the legal earnings reserve according to the law and finally account or reverse the special surplus reserve pursuant to the articles of incorporation; if the balance is left, the distributable dividend of preferred shared in the said year shall be distributed on a top priority basis.
2. The dividend of the preferred shares is 8% at most per annum, which shall be calculated based on the issue price per share and distributed in cash once a year; after the financial report is accepted, the Board of Directors shall set up the base date to pay the distributable dividend for the previous year. The distribution of dividend for the year of issue and the year of recovery shall be based on the calculation of the actual days accounted for issuance in the said year.
3. The distribution of preferred stock dividend is at this Company's discretion. If there are no earnings or the earnings are not enough for the distribution of the preferred stock dividend, this Company shall resolve that no preferred stock dividend will be distributed in this regard and the preferred stock shareholders shall not make any objection. If the issued preferred shares are of non-cumulative type, the undistributed dividend or deficiently-distributed dividend shall not be accumulated into the year when the earnings are gained for the deferred payment.
4. In addition, the shareholders of preferred shares shall receive the dividend as mentioned in Subparagraph 2 of this Paragraph; in case that the issued preferred shares are of non-participation type, they shall not participate in the distribution of earnings, capital surplus in cash as well as capital appropriation.
5. When this Company issues new shares in cash, the shareholders of preferred shares and ordinary shares have the same priority subscription right.
6. In terms of the priority for the distribution of this Company's residual property, the preferred stock shareholders rank ahead of the ordinary stock shareholders and they enjoy the same compensation order as the shareholders of each special stock, issued

by this Company, but they are both second to the general creditors and they can be only distributed with quota no more than that calculated as per issue price of the issued special shares outstanding at that time.

7. The preferred stock shareholders have no voting and election rights, but they shall be elected as directors, who are endowed with the voting rights at the shareholders' meetings of preferred stock or those shareholders' meetings which involve such matters as the rights and obligations of the special stock shareholders.
8. The preferred shares cannot be converted into the ordinary shares.
9. There is no mature date for the preferred shares, so the shareholders thereof shall not ask this Company to recover the preferred shares they hold. However, this Company shall reclaim, wholly or partially, the preferred shares on the basis of the original issue price at any time effective the date following the expiration of five-year issue. Those preferred shares which are not recovered shall continue to be bound by the rights and obligations of each foregoing issue requirement. In the event that this Company resolves to distribute dividend in the year when the shares are recovered, the distributable dividend as of the date recovered shall be calculated on the basis of the actual days accounted for the issuance in the said year.

The Board of Directors shall be authorized to determine the name, issue date and concrete issue requirements of the preferred shares, depending on the capital market status and the investors' intention in accordance with this Company's Articles of Incorporation and related acts and regulations.

Article 6: This Company's stock shall be signed or sealed by the directors representing this Company, certified by the competent authority or the approved issue registration institution and finally be issued according to the law.
The stock for the shares, issued by this Company, is exempted from being printed, but it should be registered with the Centralized Securities Depository Enterprises Institution.

Article 7: When this Company issues new shares, the stocks shall be printed in combination with the aggregate shares in the said issue or shall be exempted from being printed. The shares issued pursuant to the preceding regulation shall be safeguarded by or registered with the Centralized Securities Depository Enterprises Institution; they can be collectively replaced by the large-denomination securities upon the request of the Centralized Securities Depository Institution.

Article 8: This Company's stock affairs dealing rules shall be subject to the "Regulations Governing the Administration of Shareholders' Service of Public Companied" and the related stipulation, published by the competent authority.

Article 9: Pursuant to Article 56-1 of the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" and Article 10-1 of the "Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies", this Company shall issue the employee stock option certificate in a price lower than the closing stock price of this Company's ordinary shares on the issue date and transfer it to the employees in a price lower than the average price of actually-repurchased shares, on condition that over half of the attending directors in the meeting wherein over two thirds of directors attend consent.

Article 10: Deleted.

Article 11: Within 60 days before the general shareholders' meeting of each term, 30 days before the extraordinary meeting or 5 days before the base date when this Company decides to distribute dividend & bonus or other benefits, the stock transfer shall be suspended.

Chapter III Shareholders' Meeting

Article 12: The shareholders' meetings are divided into the general meeting and the extraordinary meeting. The general meeting is convened once a year within 6 months at the close of each fiscal year, while the extraordinary meeting shall be summoned, if necessary, according to the law. The shareholders' meeting of the preferred shares shall be called, when necessary, in accordance with the relevant acts.
The shareholders' meetings, convened by this Company, shall be convened online or by other means announced by the competent authority.

Article 13: When a shareholder is unable to attend the shareholders' meeting for some reason, he/she shall prepare the power of attorney to authorize the proxy to attend the meeting.

Article 14: Unless otherwise provided in this Company Act, the shareholders' meeting shall be convened by the Board of Directors and the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairman shall act in place of the chairman; if the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one of the directors to act as chair on his/her behalf; if the chairman fails to appoint one proxy, one of the directors shall be appointed to act as chair.

If a shareholders' meeting is convened by a party with power to convene but other than the Board of Directors, the chairman in this instance shall be appointed pursuant to Article 182-1 of this Company Act.

Article 15: Except as provided in the acts, this Company's shareholder has one voting right per share.

Article 16: Unless otherwise provided in this Company Act, the resolution of the shareholders' meeting shall be made upon consent by over half of the attending directors in the meeting wherein over two thirds of directors attend.

This Company's shareholders can also exercise their voting rights by electronic means. Those shareholders who electronically exercise their voting rights shall be deemed to attend the shareholders' meeting in person; the related matters shall be all handled in accordance with the acts.

Article 17: The resolution matters in the shareholders' meeting, for which the proceedings shall be made and handled in accordance with Article 183 of this Company Act.

Chapter IV Directors

Article 18: This Company appoints 7 - 15 directors, whose appointment adopts the candidate's nomination system by selecting from the candidates list in the shareholders' meeting; the directors' term of office is 3 years; they shall be reelected. In the above-mentioned quota of directors, 2~5 independent directors shall be included. The total share number that the entire directors of this Company hold shall not be less than the minimum proportion, as set forth by the competent authority. During the directors' tenure of office, this Company shall effect a liability insurance for them against the liability compensation which is incurred due to their business execution.

This Company establishes the Audit Committee in accordance with Article 14-4, the Securities and Exchange Act. The Audit Committee is composed of the whole independent directors; the exercise of their authority and related matters shall be managed pursuant to the relevant statutory regulations.

Article 18-1: Deleted.

Article 19: When the number of directors falls short by one-third of the total number, this Company shall convene a shareholders' meeting for the by-election within the required period as prescribed in Article 201 of this Company Act and the term of office for the by-elected directors is only to make up the term of the original director.

Article 20: When the term of office for the directors expires and it is too late to proceed with the reelection, extension shall be allowed for them to execute their duties till the reelected directors take their office. However, if the competent authority orders by their authority this Company to carry out reelection in the prescribed period, but this Company fails in reelection when the time is due, the directors shall be definitely dismissed at the expiry date.

Article 21: The directors shall organize the Board of Directors; one chairman shall be elected among the directors with consent by over half of the attending directors in the meeting of the Board of Directors, which two thirds of directors attend, so shall one vice chairman be elected in the same manner; both of them shall perform all affairs of this Company in compliance with the resolutions of the acts, the articles, the shareholders' meetings and the Board of Directors meetings.

Article 21-1: The Board of Directors shall meet quarterly. The reasons for calling the meeting shall be notified to each director at least seven days in advance. In emergency circumstances, however, a meeting may be called at any time by the means, such as telephone, facsimile, e-mail, etc., instead of the written notice.

Article 22: This Company's operation policy and other important matters shall be resolved by the Board of Directors. Except for the 1st meeting of the Board of Directors of each term, which shall be convened in accordance with Article 203 of the Company Act, and the meetings convened by over half of directors with the chair appointed among themselves in accordance with Article 203-1, other meetings shall be called and chaired by the chairman. When the chairman of the board is unable to exercise the powers, the matters shall be handled in accordance with Article 28 of the Company Act.

Article 23: Except as provided in this Company Act, the meetings of the Board of Directors shall be attended by over half of the directors with consent by over half of the attending directors. When a director is unable to attend the meeting for some reason, he/she shall issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting to authorize other directors to attend the meetings of the Board of Directors on his/her behalf, but the proxy shall be the appointed proxy of only one person.

If the meeting of the Board of Directors is conducted in a form of videoconference, those directors who attend the videoconference by the webcam shall be deemed attendance in person.

Article 24: The minutes shall be taken for the discussions in the meeting of the Board of Directors, which shall bear the signature or seal of the chair, and a copy of the minutes shall be distributed to each director within 20 days after the meeting. The minutes shall specify the date (year/month/day) & venue of the meeting, name of chairman, resolution method, key points and the results of the proceedings; it shall be permanently preserved during the existence of this Company.

Article 25: Regardless of profit or loss, the compensation of this Company's directors shall be determined by the Board of Directors via authorization subject to the general level in the same industry.

Chapter V Managers and Employees

Article 26: This Company shall appoint one general manager, whose appointment, dismissal and remuneration shall obtain the consent by over half of the attending directors in the meeting of the Board of Directors, which over half of directors attend.

Article 27: This Company shall retain the consultant and important employees via the resolution of the Board of Directors.

Article 28: Deleted.

Chapter VI Final Accounts

Article 29: At the end of each fiscal year, the Board of Directors of this Company shall prepare the following statements and submit it with the general shareholders' meeting for being accepted:

1. Business Report
2. Financial Statements
3. Earnings Distribution or Loss Compensation Proposals.

Article 30: In case that this Company gains profit in the year, no less than 1% of the profit shall be allocated as the compensation for employees and no more than 5% as the compensation for directors. However, if this Company still has the accumulated loss, the profit shall be reserved beforehand to make up with the figures.

The compensation for employees shall be made in cash and its subjects shall include the employees of the domestic and overseas subordinate companies, who meet certain requirements.

Article 30-1: In addition to the income tax withheld according to the law, the net income this Company gains in the final accounts each year should first make up the losses in the past years; then, 10% of its balance should be withdrawn and deposited as the legal surplus and account or reverse the special surplus reserve pursuant to the law; if the balance is left, the distributable dividend of preferred shares in the said year shall be distributed on a top priority basis; based on the balance along with the undistributed earnings at the beginning of the period, the Board of Directors shall prepare the earnings distribution proposal for the issuance of new shares, and submit it with the shareholders' meeting for

a resolution on the distribution.
With respect to the distribution of bonus for the shareholders in the preceding paragraph, if all or part of it is distributed in cash, the Board of Directors shall be authorized to seek a resolution made by over half of the attending directors in the meeting wherein over two thirds of directors attend and a report shall be filed with the shareholders' meeting.
This Company is just situated at the growing stage. Considering the capital expenditure, business expansion need and sound financial planning for the sake of sustainable development, only after the earnings satisfy the cash need of this Company's capital planning shall the remaining earnings be sufficient for the distribution of cash dividend; in this point, the distributed amount of cash dividend shall be more than 10% of total bonus amount for the shareholders and its ratio shall be subject to the stock dividend ratio adjusted by the Board of Directors to 50%~100%, depending on the actual profits and capital status or on the basis of the capital expenditure and the business expansion needs; such an adjustment shall be submitted with the shareholders' meeting for a resolution.

Article 30-2: When this Company has not incurred loss, it shall authorize the Board of Directors to seek a resolution made by over half of the attending directors in the meeting wherein over two thirds of directors attend in order to distribute the legal surplus reserve (part of the said surplus exceeding 25% of the paid-in stock capital) as well as the whole or part of the capital reserve which complies with this Company Act in cash and thereof submit a report with the shareholders' meeting.

Article 30-3: The subjects for the transfer of the shares this Company repurchases shall only include the employees of this Company and its domestic and overseas subordinate companies, who meet certain requirements; their requirements and the transfer method shall be determined by the Board of Directors via authorization.
The subjects for the issuance of new restricted employee shares of this Company shall only include the employees of this Company and its domestic and overseas subordinate companies, who meet certain requirements; their requirements and the distribution method shall be determined by the Board of Directors via authorization.
When this Company issues new shares, those employees who purchase the shares shall only include the employees of this Company and its domestic and overseas subordinate companies, who meet certain requirements; their requirements and the purchase method shall be determined by the Board of Directors via authorization.

Chapter VII Supplementary Articles

Article 31 : This Company's reinvestment amount shall not exceed 40% of the paid-in stock capital.

Article 32: This Company shall offer guarantee to other companies in the same industry.

Article 33: The organizational regulations and the operational bylaws of this Company shall be separately established by the Board of Directors.

Article 34: Any matters not covered in this Articles of Incorporation shall be handled in accordance with the regulations of this Company Act and other relevant laws and regulations.

Article 35: This Articles of Incorporation was established on September 19, 1975.
The 1st amendment was made on August 12, 1978.
The 2nd amendment was made on July 3, 1979.
The 3rd amendment was made on September 26, 1979.
The 4th amendment was made on February 10, 1981.
The 5th amendment was made on September 18, 1984.
The 6th amendment was made on August 29, 1986.
The 7th amendment was made on October 15, 1986.
The 8th amendment was made on August 29, 1998.
The 9th amendment was made on November 16, 1998.
The 10th amendment was made on November 30, 1998.
The 11th amendment was made on May 20, 2000.
The 12th amendment was made on June 20, 2001. (The 1st time)
The 13th amendment was made on June 20, 2001. (The 2nd time)
The 14th amendment was made on May 11, 2002. (The 1st time)

The 15th amendment was made on May 11, 2002. (The 2nd time)
The 16th amendment was made on June 23, 2003.
The 17th amendment was made on June 24, 2005.
The 18th amendment was made on June 27, 2006.
The 19th amendment was made on June 22, 2007.
The 20th amendment was made on June 25, 2008.
The 21st amendment was made on June 30, 2010.
The 22nd amendment was made on June 28, 2011.
The 23rd amendment was made on June 28, 2012.
The 24th amendment was made on June 24, 2014.
The 25th amendment was made on June 23, 2015.
The 26th amendment was made on June 28, 2016.
The 27th amendment was made on June 22, 2017.
The 28th amendment was made on June 18, 2019.
The 29th amendment was made on June 10, 2020.
The 30th amendment was made on June 27, 2022.

【Appendix 2】

Johnson Health Tech. Co., Ltd.

Rules of Procedure for Shareholders' Meetings

Article 1: The shareholders' meetings of this Company, except as otherwise provided by the law and regulation, shall be handled in accordance with this "Rules of Procedure for Shareholders' Meetings".

Article 2: Unless otherwise provided by law or regulation, this Company's shareholders' meetings shall be convened by the Board of Directors.

Changes to how this Company convenes its shareholders' meeting shall be resolved by the Board of Directors, and shall be made no later than mailing of the shareholders' meeting notice.

This Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a general shareholders' meeting or before 15 days before the date of a special shareholders' meeting. This Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS 21 days before the date of the general shareholders' meeting or before 15 days before the date of the special shareholders' meeting. In addition, before 15 days before the date of the shareholders' meeting, this Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Company and the professional shareholder services agent designated thereby.

This Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders' meeting:

1. For physical shareholders' meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders' meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For virtual-only shareholders' meetings, electronic files shall be shared on the virtual meeting platform.

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

Election or dismissal of directors or supervisors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with this Company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of this Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extraordinary motion; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the corporation, and such website shall be indicated in the above notice.

Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders' meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to this Company a proposal for discussion at a general shareholders' meeting. The number of items so proposed is limited to one only and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of this Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of this Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a general shareholders' meeting is held, this Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

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

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

Article 3: For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Company and stating the scope of the proxy's authorization. A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to this Company before five days before the date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made

to cancel the previous proxy appointment.
After a proxy form has been delivered to this Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Company before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.
Attendance and voting at the shareholders' meetings shall be calculated based on numbers of shares.
If, after a proxy form is delivered to this Company, a shareholder wishes to attend the shareholders' meeting online, a written notice of proxy cancellation shall be submitted to this Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 4: This Company shall specify in its shareholders' meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.
The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders' meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders' meeting in person.
Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. solicitors soliciting proxy forms shall also bring identification documents for verification.
In the event of a virtual shareholders' meeting, this Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 4-1. To convene a virtual shareholders' meeting, this Company shall include the follow particulars in the shareholders' meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
   (1) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
   (2) Shareholders not having registered to attend the affected virtual shareholders' meeting shall not attend the postponed or resumed session.
   (3) In case of a hybrid shareholders' meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.
   (4) Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.
3. To convene a virtual-only shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified.

Article 5: This Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book or sign-in cards handed in, as well as the number of shares registered at the virtual meeting, plus the number of shares whose voting rights are exercised by correspondence or electronically. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting. After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person or in a virtual way, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Article 6: Attendance and voting at the shareholders' meetings shall be calculated based on numbers of shares.

Article 7: The venue for a shareholders' meeting shall be the premises of this Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect

to the place and time of the meeting.
The restrictions on the place of the meeting shall not apply when this Company convenes a virtual-only shareholders' meeting.

Article 8: If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairman shall act in place of the chairman; if there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairman does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.
If a shareholders' meeting is convened by a party with power to convene but other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

Article 9: This Company may appoint its attorneys, certified public accountants, or related persons to attend a shareholders' meeting in a non-voting capacity.

Article 10: This Company shall make an audio and video recording of the full meeting and the recorded materials shall be retained for at least one year.
Where a shareholders' meeting is held online, this Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.
The information and audio and video recording in the preceding paragraph shall be properly kept by this Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.
In case of a virtual shareholders' meeting, this Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 11: The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders' meeting, this Company shall also declare the meeting adjourned at the virtual meeting platform. A tentative resolution may be adopted pursuant to Article 175, paragraph 1 of this Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month. In the event of a virtual shareholders' meeting, shareholders, intending to attend the meeting online shall re-register to this Company in accordance with Article 4.
When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of this Company Act.

Article 12: If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.
The provisions of the preceding paragraph apply mutatis mutandis to the shareholders meeting, convened by a party with the power to convene that is not the Board of Directors.
The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution.
After the meeting adjourns, the shareholders shall not appoint another chair to resume the meeting at the original or another venue.

Article 13: Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.
A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the contents of the speech do not correspond to the subject given on the speaker's slip, the spoken contents shall prevail.
When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

Article 14: Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

Article 15: When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.
When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.

Article 16: After an attending shareholder has spoken, the chair may respond in person or direct one relevant personnel to respond.
Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each

question shall contain no more than 200 words. The regulations in Articles 13 to 15 do not apply.
As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

Article 17: In respect of the discussion of proposals, when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, he/she may announce the discussion closed and call for a vote.

Article 18: Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Company.
Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.
When this Company convenes a virtual shareholders' meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.
In the event of a virtual shareholders' meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.
When this Company convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting online in accordance with Article 4 decide to attend the physical shareholders' meeting in person, they shall revoke their registration two days before the shareholders' meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders' meeting online.
When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders' meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article 19: When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the
Meeting will be resumed.

Article 20: Except as otherwise provided in this Company Act and in this Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of voting, if no objection is made against the chair's inquiry, it is deemed approved with the same effect as the voting. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting; the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS on the same day.

Article 21: When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 22: The election of directors or supervisors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by this Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected, and the names of directors and supervisors not elected and number of votes they received.
The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of this Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 23: Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.
This Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.
The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of this Company.
Where a virtual shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders' meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.
The Company shall hold a video conference shareholders' meeting. In addition to complying with the provisions of the preceding paragraph, the Company shall also specify in the minutes of the meeting the

alternative measures provided to shareholders who have difficulties participating in the meeting via video conference.

Article 24: On the day of a shareholders' meeting, this Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting.

In the event of a virtual shareholders' meeting, this Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During this Corporation's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

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

Article 25: The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an armband bearing the word "Proctor."

Article 26: In the event of a virtual shareholders' meeting, this Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 27: When this Company convenes a virtual-only shareholders' meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article 28: In the event of a virtual shareholders' meeting, this Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.

In the event of a virtual shareholders' meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Paragraph 4, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders' meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders' meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders' meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders' meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.

When this Company convenes a hybrid shareholders' meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, still meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.

When postponing or resuming a meeting according to the second paragraph, this Company shall handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Paragraph 7, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under the second half of Article 12, and Paragraph 3, Article 13 of Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies, and Paragraph 2 of Article 44-5, Article 44-15, and Paragraph 1 of Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Company shall handle the matter based on the date of the shareholders' meeting that is postponed or resumed under the second paragraph.

Article 29: When convening a virtual-only shareholders' meeting, this Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online.

Article 30: These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.

This amendment was made on June 27, 2022.

【Appendix 3】

Johnson Health Tech. Co., Ltd.

Regulations Governing Loaning of Funds to Others by the Company

Date Amended: June 27, 2022

Article 1. Base of Regulations

These Regulations are promulgated pursuant to Article 36-1 of the Securities and Exchange Act ("the Act") and “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” (“the Regulations”) prescribed by the competent authority.

Article 2. Scope of Procedures

1. This company shall comply with these Regulations when making loans to others; provided, where laws or regulations provide otherwise, such provisions shall govern.
2. Subsidiaries in which this company holds, directly or indirectly, 50% or more of the voting shares, if loans of funds are proposed, shall conduct pursuant to these Regulations and the handling procedures of the Company. However, if there is a conflict between these Regulations or the provisions of these operating procedures and the laws and regulations of the location where the subsidiary is located, the local laws and regulations shall take precedence.

Article 3. Objectives

1. Under Article 15 of the Company Act, the Company shall not loan funds to any of its shareholders or any other person except under the following circumstances:
   A. Where an inter-company or inter-firm business transaction calls for a loan arrangement; or
   B. Where an inter-company or inter-firm short-term financing facility is necessary, provided that such financing amount shall not exceed 40 percent of the lender's net worth.
2. The borrower can apply for financing only if there is no bad records such as bounced checks and bank rejections in the past two years.
3. The restriction in paragraph 1, subparagraph 2 shall not apply to inter-company loans of funds between overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares, nor to loans of fund to the Company by any overseas company in which the Company holds, directly or indirectly, 100% of the voting shares. However, the Company shall still prescribe limits on the aggregate amount of such loans and on the amount of such loans permitted to a single borrower, and shall specify limits on the durations of such loans pursuant to regulations in Article 4, paragraph 3 and Article 5.

Article 4. The Aggregate Amount of Loans and the Maximum Amount Permitted to a Single Borrower

1. The aggregate amount of funds loaned by the Company to others:
   A. Where an inter-company or inter-firm business transaction with the Company:
      a. Overseas subsidiaries in which the Company holds, directly or indirectly 100% of the voting shares, and the amount may not exceed the net worth of the Company.
      b. For companies or firms other than those listed above, the limit shall not exceed 40 percent of the Company's net worth.
   B. Where an inter-company or inter-firm short-term financing facility is necessary, provided that such financing amount shall not exceed 40 percent of the Company’s net worth.
2. Maximum Amount Permitted to a Single Borrower:
   A. Where an inter-company or inter-firm business transaction with the Company:
      a. Overseas subsidiaries in which the Company holds, directly or indirectly 100% of the

voting shares, and the amount may not exceed 50 percent of the net worth of the Company.

b. For companies or firms other than those listed above, the limit shall not exceed 20 percent of the Company's net worth or the balance of business transactions between the two parties, whichever is lower. The aforementioned business balance refers to the purchase or sales amount between the two parties within one year, whichever is higher.

B. Where an inter-company or inter-firm short-term financing facility is necessary, provided that such financing amount shall not exceed 20 percent of the Company's net worth.

3. The restriction of not exceeding 40 percent of the lender's net worth shall not apply to inter-company loans of funds between overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares, nor to loans of fund to the Company by any overseas subsidiaries. However, such subsidiaries shall prescribe limits on the aggregate amount of such loans and on the amount of such loans permitted to a single borrower in their handling procedures.

Article 5. Duration of loans and calculation of interest

1. Duration:
   - A. Where an inter-company or inter-firm business transaction calls for a loan arrangement:
     - a. Overseas subsidiaries in which the Company holds, directly or indirectly, 100% of the voting shares, the term of each loan shall not exceed one year or one business cycle (whichever is longer) from the date of the loan. If necessary, extension procedures may be processed with the approval of the board of directors before the loan case expires.
     - b. For companies or firms other than those listed above, the term of each loan shall not exceed one year or one business cycle (whichever is longer) from the date of the loan and its extension shall not be applicable.
   - B. Where an inter-company or inter-firm short-term financing facility is necessary, provided that such term of each loan shall not exceed one year or one operating cycle (whichever is longer) from the date of the loan, and its extension shall not be applicable.
   - C. Overseas companies engaging in loans of funds in accordance with the provisions of Article 3, Paragraph 3, are authorized to set their own terms in the subsidiary regulations.
2. Interest:
   - A. Calculation of interest on a daily basis: The sum of the daily loan balances (i.e. the total accumulated amount) is first multiplied by its annual interest rate, and then divided by 365 to obtain the interest amount.
   - B. Unless otherwise specified, interest on loans will be calculated and charged on a monthly basis, and the borrower will be notified to pay interest within one week from the agreed interest payment date.
   - C. Loans of funds and interest rates should be determined with reference to the Company's deposit and borrowing interest rates from financial institutions.
   - D. Overseas companies applicable for the provisions of Article 2 in this handling procedure, the loans of funds and interest calculation methods shall be subject to the provisions of local laws and regulations and not subject to the restrictions of the preceding paragraph.

Article 6. Evaluation Standards for Loaning Funds to Others

Where funds are loaned between the Company and other companies or firms for reasons of business dealings, evaluation standards shall be compliant with regulations in the provisions of Article 4, paragraph 2 and subparagraph 1; Where short-term financing is needed, it shall be limited to the following circumstances:

1. Subsidiaries in which this company holds, directly or indirectly, 50% of the voting shares are in need of the short-term financing due to business requirements.
2. Other companies or firms need the short-term financing for purchasing materials or operating

turnover needs.

Article 7. Application

When a borrower applies for a loan from our company, the handling personnel shall make initial contact to understand the use of funds and recent business and financial status. If feasible, a record of the negotiation shall be made.

Article 8. Credit Investigation

For first-time borrowers, the borrower shall provide basic information and financial information for credit investigation. If such borrowing belongs to consecutive borrowers, an annual credit investigation shall be applied in principle. However, if such borrowing belongs to a major case, actual need shall be regarded and a half-year credit investigation shall be applied.

If the borrower's financial status is good and the annual financial statements have been approved by an accountant for financing approval, the investigation report that is more than one year but less than two years may be used, and the loan application shall be signed by referring to the accountant's inspection and approval report.

Article 9. Loan Assessment

After credit investigation and evaluation, if the borrower has a poor credit rating and such loans of funds is not applicable, the handling staff shall inform the borrower of the reasons for rejection as soon as possible after the approval been granted.

For cases where the credit investigation results are good and the loan purpose is legitimate, the handling personnel shall fill in the credit investigation report and opinions, formulate loan conditions, and submit them to the chairman of the board for approval step by step, submit them to the board of directors for approval and others shall not be authorized to make decisions. The opinions of each independent director shall be fully considered and their precise opinions of agreement or objection and the reasons for their objection shall be stated in the board of directors' records.

Loans of funds between our company and its subsidiaries, or between its subsidiaries, besides submitted for a resolution by the board of directors pursuant to the preceding paragraph, the chairperson shall be authorized, for a specific borrowing counterparty, within a certain monetary limit resolved by the board of directors, and within a period not to exceed one year, to give loans in installments or to make a revolving credit line available for the counterparty to draw down, except when credit limit shall not exceed 10% of the net worth on the most current financial statements of our company.

Article 10. Notification

After the approval of the loans of funds, the handling personnel shall send a letter or telegraph to the borrower with immediate effect, detailing the Company's conditions of lending funds, including the amount, term, interest rate, collateral and guarantor, etc. The borrower is required to sign a contract within the time limit, complete the establishment of the guarantee quality (mortgage) and the guarantor's guarantee procedures, so as to obtain the funds accordingly.

Article 11. Contract Guarantee

For loan cases, the handling personnel shall draw up the terms of the contract, which shall be reviewed by the supervisor and sent to the legal advisor for review before the contract signing procedures are completed.

The content of the contract shall be consistent with the approved loan conditions. After the borrower and the joint guarantor sign the contract, the handling personnel shall complete the guarantee procedures.

Article 12. Collateral Rights Setting

If a collateral is required by loan cases, the borrower shall provide the collateral and go through the procedures for establishing a pledge or mortgage right to ensure the Company's creditor's rights.

Article 13. Insurance

In addition to land and securities, all collateral shall be insured against fire, and ships and vehicles shall be insured against all risks. The insurance amount shall not be less than the mortgage value of the collateral. The insurance policy shall be marked with the Company as the beneficiary. The name, quantity, storage location, insurance conditions, and insurance endorsement of the subject matter stated in the policy shall be consistent with the Company's original loan conditions; If the building has not yet been assigned a house number when it is established, its address shall be marked with the location and land number.

The handling personnel shall notify the borrower to continue the insurance purchase before the expiration of the insurance period.

Article 14. Appropriation

Once the loan case is approved, the loan contract is signed and the promissory note is deposited (or repaid in installments), the registration of collateral mortgage (pledge) is completed, and all procedures are verified to be correct, the funds may be allocated.

Article 15. Follow-up Control Measurements for Loans and Funds, and Procedures for Handling Overdue Claims

After the loan is disbursed, attention to the financial, business and credit status of the borrower and the guarantor shall be paid. If a collateral is provided, attention shall be paid to whether there is any change in the value of the collateral. If there are any major changes, the chairman of the board of directors shall be notified immediately and appropriate measures should be taken according to instructions. Two months before the loan is due, the borrower shall be notified to repay the principal and interest when due.

When the borrower performs the loan upon its due date, the interest payable shall be firstly calculated and along with the principles be performed, afterwards the promissory note, IOU and other debt certificates may be canceled and returned to the borrower.

If the borrower applies to cancel the mortgage right, the loan balance shall be checked for verification before the decision whether to agree to cancel the mortgage right.

Article 16. Extension

Before the loan case expires, the borrower shall be notified to perform the loan in accordance with the contract or apply for an extension in accordance with the provisions of Article 5, Paragraph 1, Subparagraph 2. In case of violation, the Company may take disciplinary action and recover compensation from the collateral or guarantor provided by the borrower in accordance with the law.

Article 17. Storage and Organization of Case Files

For the cases they handle, the handling personnels shall sort out the bonds, promissory notes and other debt certificates, as well as collateral certificates, insurance policies, and transaction documents in order after allocating the loan, put them into the safekeeping bag, and after marking the contents of the safe items and the name of the customer on the bag, submit it to the supervisor of the management department for inspection. Once the inspection is correct, it shall be sealed, stamped with the seal of the handling personnel and the head of the management department at the seam, and kept in the custody register after being registered.

Article 18. Information Disclosure

Monthly capital loans shall be announced and reported in accordance with the following four provisions in the regulations of the competent authority. If subsidiaries reinvested by the Company conduct loan funds to others, such subsidiary must submit relevant information to the finance department of Company's headquarter for announcement reporting.

1. The Company shall announce and report the previous month's loan balances of its head office and subsidiaries by the 10th day of each month.
2. The Company whose loans of funds reach one of the following levels shall announce and report such event within two days commencing immediately from the date of occurrence:
   A. The aggregate balance of loans to others by the public company and its subsidiaries reaches 20 percent or more of the public company's net worth as stated in its latest financial statement.
   B. The balance of loans by the public company and its subsidiaries to a single enterprise reaches 10 percent or more of the public company's net worth as stated in its latest financial statement.
   C. The amount of new loans of funds by the public company or its subsidiaries reaches NT$10 million or more, and reaches 2 percent or more of the public company's net worth as stated in its latest financial statement.
3. The Company shall announce and report on behalf of any subsidiary thereof that is not a public company of the Republic of China any matters that such subsidiary is required to announce and report pursuant to subparagraph 3 of the preceding paragraph.
4. The Company shall evaluate the status of its loans of funds and reserve sufficient allowance for bad debts, and shall adequately disclose relevant information in its financial reports and provide certified public accountants with relevant information for implementation of necessary auditing procedures.

Article 19.

The Company’s internal auditors shall audit the Operational Procedures for Loaning Funds to Others and the implementation thereof no less frequently than quarterly and prepare written records accordingly. They shall promptly notify the audit committee in writing of any material violation found. If such material violation found, managerial officers and organizers may by punished depends on the degree of violation.

If, as a result of a change in circumstances, an entity for which the loan balance exceeds the limit, the Company shall adopt rectification plans and submit the rectification plans to the audit committee, and shall complete the rectification according to the timeframe set out in the plan, in order to reinforce the internal control of the Company.

Article 20.

"Subsidiary" or "parent company" as referred to in these handling procedures shall be as determined under the Regulations Governing the Preparation of Financial Reports by Securities Issuers. "Net worth" in these handling procedures means the balance sheet equity attributable to the owners of the parent company under the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The aforementioned net worth is based on the data contained in the latest financial statements verified or reviewed by CPAs.

“Date of occurrence” in these handling procedures means the date of contract signing, date of payment, dates of boards of directors resolutions, or other date of transaction that can confirm the counterparty and monetary amount of the loan of funds, whichever date is earlier.

Article 21.

This handling procedure after being approved by the audit committee and granted by the resolution of board of directors, shall be submitted to the shareholders' meeting for approval of implementation, and same applied to the revisions.

【Appendix 4】

Johnson Health Tech. Co., Ltd.

Shareholding of Directors

Date of Transfer Suspended: April 28, 2024

Title	Name	Date Elected (Employed)	Shareholding No. When Elected		Shareholding No. specified in the shareholder register on the date of transfer suspended	
			Share No.	Shareholding % (Note 1)	Share No.	Shareholding % (Note 2)
Chairman	Peter Lo	June 28, 2023	61,229,933	20.17%	61,229,933	20.17%
Director	Cindy Lo	June 28, 2023	12,776,199	4.21%	12,776,199	4.21%
Director	Jason Lo	June 28, 2023	84,704,121	27.90%	86,087,121	28.35%
Director	Spencer Hsieh	June 28, 2023	39,428	0.01%	39,428	0.01%
Director	May Lo	June 28, 2023	17,195,413	5.66%	17,195,413	5.66%
Director	Teresa Lo	June 28, 2023	14,936,094	4.92%	14,936,094	4.92%
Director	Crista Lin	June 28, 2023	13,453,859	4.43%	13,453,859	4.43%
Director	Vincent Chen	June 28, 2023	0	0.00%	0	0.00%
Director	Yih-Horng, Lin	June 28, 2023	174,000	0.06%	174,000	0.06%
Independent Director	Hank Lin	June 28, 2023	0	0.00%	0	0.00%
Independent Director	Chung-Hsian Liu	June 28, 2023	0	0.00%	0	0.00%
Independent Director	Jui-Lin, Liu	June 28, 2023	0	0.00%	0	0.00%
Independent Director	Wen-Ren Chung	June 28, 2023	0	0.00%	0	0.00%
Total for Directors			204,509,047	67.36%	205,892,047	67.81%

Note 1: Total issued shares at the time of election: 303,616,617 ordinary shares.

Note 2: Total issued shares on April 28, 2024: 303,616,617 ordinary shares.

Remarks:
1. The shares to be legally held by the entire directors of this company are 12,144,664; as of April 28, 2024, the entire directors hold 205,892,047 shares, which have met the statutory requirements.
2. Pursuant to Article 2 of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, if the elected independent directors exceed two persons, the shareholding ratio calculated in proportion of the entire directors other than the independent directors shall be reduced to 80%.