

Ticker Number: 4164



CHC Healthcare Group

2018 Annual Shareholders' Meeting

Meeting Agenda

Date of the Meeting: June 11, 2018 at 09:00 a.m.

Place of the Meeting: 1F., No.30, Sec. 3, Xincheng S. Rd., Da'an Dist., Taipei City 106,
Taiwan (Room 103 of Howard Civil Service International House)

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CHC Healthcare Group

Meeting Procedure for 2018 Annual Shareholders' Meeting

1. Commencement
2. President's Address
3. Report Items
4. Matters for Ratification
5. Matters for Discussion
6. Extemporaneous Motions
7. Meeting Adjourned

CHC Healthcare Group

Meeting Agenda for 2018 Annual Shareholders' Meeting

Date of the Meeting: June 11, 2018 at 09:00 a.m.

Place of the Meeting: 1F., No.30, Sec. 3, Xinsheng S. Rd., Da'an Dist., Taipei City
106, Taiwan (Room 103 of Howard Civil Service
International House)

1. Commencement

2. President's Address

3. Report Items

- (1). 2017 Business Report
- (2). Audit Committee's Report on review of 2017 audited financial reports
- (3). To report the distribution of the compensations for employees and remunerations for directors of 2017
- (4). To report the information of endorsements/guarantees in 2017
- (5). To report the reasons for the invite subscription for the third issue of secured convertible corporate bonds as well as other relevant matters
- (6). To report the amendment to the Company's "Procedures for Ethical Management and Guidelines for Conduct" and "Code of Ethical Conduct"

4. Matters for Ratification

- (1). 2017 Business Report and Financial Statements
- (2). Proposal for 2017 Earnings Distribution

5. Matters for Discussion

- (1). Amendment to the Company's "Operational Procedures for Loaning Funds to Others" and "Procedures for Endorsement & Guarantee"
- (2). To release the directors and their representatives from non-competition restrictions
- (3). To propose the issuance plan for a private placement of common shares

6. Extemporaneous Motions

7. Meeting Adjourned

Report Items

1. 2017 Business Report

Explanation: Please refer to Attachment 1 (p12-13).

2. Audit Committee's Report on review of 2017 audited financial reports

Explanation: Please refer to Attachment 2 (p14).

3. To report the distribution of the compensations for employees and remunerations for directors of 2017

Explanation: (1). According to paragraph 1 in Article 24-1 of the Company's "Articles of Incorporation": When allocating the profit of current year (profit before tax and compensations for employees and remunerations for directors), accumulated losses shall be first covered, and then set aside no less than 0.05% of the balance as compensations for employees and no more than 5% as remunerations for directors.

(2). Consider the loss for the year 2017, the proposal of no distribution of the compensations for employees and remunerations for directors has been approved by the Company's 2rd compensation committee's meeting of the 4th term.

4. To report the information of endorsements/guarantees in 2017

Explanation: Please refer to Attachment 3 (p15).

5. To report the reasons for the invite subscription for the third issue of secured convertible corporate bonds as well as other relevant matters

Explanation: Please refer to Attachment 4 (p16).

6. To report the amendment to the Company's "Procedures for Ethical Management and Guidelines for Conduct" and "Code of Ethical Conduct"

Explanation: The wording is revised as appropriate to cater for the Company's establishment of an audit committee and to meet the Company's practical operational needs. For comparison table of revised articles, please refer to Attachment 5 (p17-20) and Attachment 6 (p21-23).

Matters for Ratification

1. 2017 Business Report and Financial Statements

(Proposed by Board of Directors)

Explanation: (1). The Company's audit committee issued its report after reviewing 2017 Parent Company Only Financial Statements and Consolidated Financial Statements, which audited by independent auditors, Sheng-Wei, Teng and Hsiao-Tzu, Chou of PricewaterhouseCoopers (PwC) Taiwan, together with 2017 Business Report.

(2). For 2017 Business Report, 2017 Audit Committee's Review Report, Report of Independent Auditors and 2017 Parent Company Only Financial Statements and Consolidated Financial Statements, please refer to Attachment 1 (p12-13), Attachment 2 (p14) and Attachment 7 (p24-45).

(3). Please ratify it.

Resolution:

2. Proposal for 2017 Earnings Distribution

(Proposed by Board of Directors)

Explanation: (1). The Company's loss for the year 2017 is NT\$ 86,694,370. After reversing the special reserve for NT\$ 138,783,777 based on paragraph 1 in Article 41 of "Securities and Exchange Act" and then adding adjusted unappropriated retained earnings at the beginning of 2017 for NT\$ 289,920,694, the distributable unappropriated retained earnings for the year 2017 is NT\$ 342,010,101. Proposal for earnings distribution is as follows:

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CHC Healthcare Group
Table of 2017 Earnings Distribution

Item	Amount(NT\$)	
	Subtotal	Total
Unappropriated retained earnings at beginning of year		291,510,532
Deduct: Adjustment of transactions with non-controlling interests	(1,589,838)	
Adjusted unappropriated retained earnings at beginning of year		289,920,694
Deduct: Loss for the year	(86,694,370)	
Add: Reverse of special reserve	138,783,777	
Subtotal		52,089,407
Distributable unappropriated retained earnings for the year		342,010,101
Distribution items:		
Cash dividends (NT\$1.1 per share)		153,904,983
Unappropriated retained earnings at end of year		188,105,118

President: Pei-Lin, Lee

CEO: Goung-Yu, Chen

CFO: Yi-Chun, Chen

- (2). The proposal has been approved by the Company's 4th audit committee's meeting of the 1st term.
- (3). 2017 earnings distribution is based on the number of outstanding shares on December 31, 2017 (139,913,621 shares), and will distribute cash dividend of NT\$1.1 per share. The cash dividend will be paid with calculation rounded down to the nearest one NTD (any amount under one NTD will be discarded). The remaining fraction will be incorporated into other income of the Company.
- (4). It requests shareholders' approval on the Meeting that the President will be authorized to adjust the dividend distribution ratio based on the actual number of outstanding shares if there is any change in number of common shares of the Company which consequently leads to a change in the ratio.
- (5). The record date and payment date for cash dividends' payment will be decided by the President as authorized by shareholders after approved on the Meeting.
- (6). Please ratify it.

Resolution:

Matters for Discussion

1. Amendment to the Company's "Operational Procedures for Loaning Funds to Others" and "Procedures for Endorsement & Guarantee"

(Proposed by Board of Directors)

Explanation: (1). The wording is revised as appropriate to meet the Company's operational needs.

(2). For comparison table of revised articles, please refer to Attachment 8 (p46) and Attachment 9 (p47).

(3). The proposal has been approved by the Company's 3rd audit committee's meeting of the 1st term.

(4). Please start discussion.

Resolution:

2. To release the directors and their representatives from non-competition restrictions

(Proposed by Board of Directors)

Explanation: (1). According to Article 209 of "Company Act", a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.

(2). It requests shareholders' approval on the Meeting to release the directors and their representatives from non-competition restrictions in order to meet the Company's business needs and operations development. For relevant information, please refer to Attachment 10 (p48).

(3). Please start discussion.

Resolution:

(Continued on Next Page)

3. To propose the issuance plan for a private placement of common shares

(Proposed by Board of Directors)

Explanation: (1). To enhance the long-term relationship with strategic investors and consider the effectiveness of raising capital, the Company has proposed a private placement of common shares within the limit of 20,000 thousand shares and may be carried out by installments (no more than 3 times) within one year of the date of the resolution of the Meeting in accordance with Article 43-6 of "Securities and Exchange Act". Relevant information is as follows:

A. The basis and reasonableness of the private placement pricing

(a). The price per share fixed for privately placed common shares may not be lower than 80 percent of the reference price. The reference price shall be the higher of the following two calculations:

(i). The simple average closing price of the common shares for either the 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction.

(ii). The simple average closing price of the common shares for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.

(b). It will be proposed to the Meeting to authorize the Board of Directors to determine the actual price determination date and issuance price in accordance with the status of selecting the specific persons and the market situation, also the price can't be lower than the percentage for the private placement pricing set by the Meeting.

(c). It is believed to be reasonable due to the basis for the method by which the price was set and terms above are all complied with relevant laws and regulations and in line with market situation.

(Continued on Next Page)

- B. The method, objectives, necessity and anticipated benefits for selecting the specific persons
- (a). The method and objectives of selecting the placee: To enhance the relationship with strategic investors, the Company plans to select the specific persons in accordance with Article 43-6 of “Securities and Exchange Act”.
 - (b). The necessity and anticipated benefits: The Company proposed to engage with strategic investors through private placement to raise capital for the Company’s long-term operating plan and future business development. It is expected that the private placement will strengthen future competitiveness, improve financial structure, enrich working capital and have advantage on the Company’s long-term development. Cooperation with strategic investors may lead to broader business territory, which also has positive influence on shareholders’ equity.
- C. The reasons for the necessity for conducting the private placement
- (a). The reasons for not using a public offering: Considering the regulation of three year no-trading period, it will help assure the long-term relationship between the strategic investors and the Company through private placement.
 - (b). The limit on the private placement: Within the limit of 20,000 thousand shares
 - (c). The use of the funds raised and the anticipated benefits: The funds raised in the private placement will be used to enrich working capital and for future development needs. It is expected to strengthen financial structure, replenish working capital and improve competitiveness of the Company.

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- (2). The new private placement shares shall have the same rights and obligations as holders of common shares of the Company except the transfer limitation of privately placed securities within three years of the delivery date stated in Article 43-8 of “Securities and Exchange Act”. It will be proposed to the Meeting to authorize the Board of Directors to file with the competent authority for retroactive handling of public issuance procedures for the private placement shares after three full years have elapsed since the delivery date based on “Securities and Exchange Act” and relevant rules.
- (3). It will be proposed to the Meeting to authorize the Board of Directors to make amendment, supplement or take any actions toward the issuance price, terms and conditions, particulars of the plan and the actual status and other relevant matters related to the private placement if there occurs any update of R.O.C. laws or regulations, request by the authority, change of the market conditions or due to any subjective and objective factors.
- (4). It will be proposed to the Meeting to authorize the President to represent the Company to negotiate and sign any document and contract with regard to the private placement plan, also to represent the Company for matters regarding the plan.
- (5). The proposal has been approved by the Company’s 4th audit committee’s meeting of the 1st term.
- (6). Please start discussion.

Resolution:

Extemporaneous Motions

Meeting Adjourned

【Attachment 1】

CHC Healthcare Group

2017 Business Report

Dear Shareholders,

Thank you very much for your continuous support and advice to let CHC Healthcare Group keep on growing in such competitive environment. To achieve CHC's sustainability, we have adjusted our operational strategies in 2017. We choose to pay more attention on how to improve the profit from our core business in preference to growth in operating revenue. Thanks to the efforts from all the employees, we hereby report that CHC has delivered good business results in both domestic and foreign markets. CHC's gross profit, gross margin, operating profit and OP margin in 2017 all increased from previous year. In the future, we will work even harder to create both shareholders' and employees' maximum interest.

1. Operating Results of 2017

(1). Implementation of 2017 Business Plan

2017 consolidated operating revenue totals NT\$2,117,116 thousand, which decreased compared with NT\$2,205,206 thousand in 2016. Mainly reason for the decrease is the drop of higher-priced medical equipment units sold. 2017 loss for the year is NT\$89,286 thousand, which decreased comparing with 2016 profit NT\$160,604 thousand. Increase in Non-operating expenses due to recognition of impairment loss of "Available-for-sale financial assets" is the main cause of fell. Operating Results of 2017 is as follows:

NT\$ Thousand	
Item	2017
Operating revenue	2,117,116
Gross profit	688,653
Operating expenses	335,778
Operating profit	352,875
Loss before income tax	(26,076)
Loss for the year	(89,286)

(2). Implementation of Budget

It's unnecessary for the Company to disclose the implementation for budget because the 2017 financial forecast was not released previously.

(3). Financial Analysis

Item		2017	2016
Capital Structure & Liquidity	Debts Ratio (%)	53.61%	49.21%
	Current Ratio (%)	168.65%	114.47%
Profitability	Return on Total Assets (%)	(0.18)%	2.29%
	Return on Equity (%)	(1.81)%	3.05%
	Net Margin (%)	(4.22)%	7.28%
	Basic Earnings Per Share	NT\$(0.62)	NT\$1.14

(4). Research and Developments Work

The Group is not in manufacturing industry, thus there is no R&D department.

2. Perspectives and Operating Strategy for 2018

(1). Product Development Strategy

CHC has always devoted to introducing high-end medical equipment and technology to the country in order to improve the standard of medical treatment. In recent years, we have actively promoted proton therapy system. The first official direct selling contract had been signed in 2016 and the first official revenue sharing contract in 2017, which means CHC has successfully introduced Precise Medicine into Taiwanese medical market. Doctors are now able to customize personal treatment plans based on the physical condition and caring demand of individual patient, to maximize treatment effectiveness while minimizing side effect. Besides maintaining sound relationships with our world renowned manufacturers, we are also in search of new products aggressively through joining exhibitions expected to extend our product line and improve sales revenue using existing sales channels. Ultimately achieve an all-win situation for CHC, patients and medical institutions.

(2). Technical Training Plan

We believe that quality service and professional employees are the biggest competing advantage of CHC Healthcare Group. We will keep recruiting and training well-qualified teammates, reproducing our profitable business model in Taiwan, no matter to cope with new product introduction or gain access to new market for maintaining high-quality service and good reputation whereas our fast expansion to create differentiated competitiveness. We have successfully entered China market by offering our technical services, and will continue nurturing our talents to extend the service line into other territories.

(3). Medical Services Policy

Besides rooting in Taiwan's medical centers by providing medical service of radiation oncology, CHC has established a full-service medical management business model with medical institutions in China in expectation of managing procedure improvement and revenue increase using our rich experience and resources operating radiation oncology departments throughout the years. These are now the demo sites for business expansion. CHC is also eager to understand trend of government policy and market overview in the China for the purpose of extending the width and depth in the field of medical service and finally becoming a comprehensive turn-key solution provider.

The assessment of introducing radiation oncology equipment into South-East Asia is constantly under process considering the lack of large medical equipment in the area. CHC has become partner with Mayapada Hospital in Indonesia and plan on providing medical management one-stop full service solution of oncology in the future to improve medical quality and train medical talents

(4). Multidivisional Expansion

As aging population and long-term care become unneglectable issues in Taiwan, CHC Health group is planning on stepping into this field as well. We will take reference from the standard of well-reckoned international long-term care institution to break through the stereotype of the dimmed lighting, timeworn space. Use differentiation strategy to create safe, comfortable elder friendly spaces, in hope to construct heartwarming living environments that fit the need of seniors, and to improve the overall quality and dignity of aging life.

President: Pei-Lin, Lee

CEO: Goung-Yu, Chen

CFO: Yi-Chun, Chen

【Attachment 2】

**CHC Healthcare Group
2017 Audit Committee's Review Report**

TO: 2018 Annual Shareholders' Meeting of CHC Healthcare Group

The Board of Directors reports 2017 Parent Company Only Financial Statements and Consolidated Financial Statements, and were audited by independent auditors, Sheng-Wei, Teng and Hsiao-Tzu, Chou of PricewaterhouseCoopers (PwC) Taiwan, which they considered to present a fair view of the Company's financial position, operating results and cash flows. 2017 Parent Company Only Financial Statements and Consolidated Financial Statements, together with 2017 Business Report and Proposal for 2017 Earnings Distribution, have all been reviewed by us as audit committee of the Company. We deem no inappropriateness on these documents. Pursuant to Article 14-4 of "Securities and Exchange Act" and Article 219 of "Company Act", we hereby present the 2017 Audit Committee's Review Report. Please review.

CHC Healthcare Group

By
Gui-Duan, Chen
Convener of Audit Committee

March 21, 2018

【Attachment 3】

CHC Healthcare Group

Information of Endorsements/Guarantees in 2017

The Company's information of endorsements/guarantees by December 31, 2017:

1. Counterparty: Ten 100% owned subsidiaries
2. Total Amount of Endorsements/Guarantees: NT\$ 5,224,550 thousand
3. Purpose of Endorsements/Guarantees: For subsidiaries' financing needs
4. According to the net worth on December 31, 2017, the ceiling on total amount of the Company's endorsements/guarantees is NT\$ 14,740,104 thousand and the ceiling on amount of the Company's endorsements/guarantees to any individual entity is NT\$ 9,826,736 thousand. All endorsements/guarantees the Company made are pursuant to "Procedures for Endorsement & Guarantee" and there is no circumstance that the amount exceeds the ceiling.

Item	Counterparty	Amount (NT\$ thousand)
1	Chiu Ho Medical System Co., Ltd.	2,774,280
2	Tomorrow Medical System Co., Ltd.	1,110,000
3	Chiu Ho Scientific Co., Ltd.	190,760
4	J.AB Beauty Co., Ltd.	6,000
5	Hua Lin Instruments Co., Ltd.	130,000
6	E Century Health Care Corporation	120,000
7	Tong-Lin Instruments Co., Ltd.	250,000
8	CHC Healthcare (HK) Limited	238,080
9	Medlink Healthcare Limited	305,000
10	Guangzhou Chiuho Medical System Co., Ltd.	100,430
	Total Amount	5,224,550

5. Subsidiaries' information of endorsements/guarantees by December 31, 2017:

Item	Provider	Counterparty	Amount (NT\$ thousand)
1	Hsing-Yeh Biotechnology Co., Ltd.	CHC Healthcare Group	361,482
2	Hsing-Yeh Biotechnology Co., Ltd.	Chiu Ho Medical System Co., Ltd.	933,474
3	Hsing-Yeh Biotechnology Co., Ltd.	Medlink Healthcare Limited	108,444
		Total Amount	1,403,400

【Attachment 4】

CHC Healthcare Group

Report of Reasons for the Invite Subscription for the Third Issue of Secured Convertible Corporate Bonds and Other Relevant Matters

For the payment of second issue of secured convertible corporate bonds (41642) and subsidiaries' debt repayment, after resolution by the Company's Board of Director on July 28, 2017 and obtaining the approval by Financial Supervisory Commission R.O.C (Taiwan) in Financial Supervisory Securities Auditing Document No. 1060030724, August 30, 2017, the Company issued 12,000 units of the third issue of secured convertible corporate bonds (41643). The face value of each unit is NT\$ 100,000 and will be issue 100% at par value. The issue period is three year and interest rate is 0%. Total amount of this time's capital raising collected NT\$ 1,200,000,000.

The date of completion of the offering for the third issue of secured convertible corporate bonds was November 2, 2017. The original utilization schedule of the amount raised to be fully executed in Q4 2017 has been postponed since some of the bond holders didn't exercise their put option before the record date concerning their own investment strategy. And for the update, it is estimated to be fully executed in Q4 2018.

CHC Healthcare Group

Comparison Table of Revised Articles of “Procedures for Ethical Management and Guidelines for Conduct”

【Attachment 5】

Article Before Revision	Article After Revision	Explanation
Article 2 The term "personnel of the Company" mentioned in the Procedures and Guidelines refers to any director, supervisor, managerial officer, employee, mandatary or person having substantial control, of the Company or its group enterprises and organizations.	Article 2 The term "personnel of the Company" mentioned in the Procedures and Guidelines refers to any director, ~~—supervisor,~~ managerial officer, employee, mandatary or person having substantial control, of the Company or its group enterprises and organizations.	Revise wording as appropriate in compliance with the Company's establishment of an audit committee.
Article 3 The term "unethical conduct" mentioned in the Procedures and Guidelines refers to any personnel of the Company, in the course of their duties, directly or indirectly provides, promises, requests, or accepts improper benefits or commits a breach of ethics, unlawful act, or breach of fiduciary duty for purposes of acquiring or maintaining benefits. The counterparties of the unethical conduct under the preceding paragraph include public officials, political candidates, political parties or their staffs, and government-owned or private-owned enterprises or institutions and their directors, supervisors, managerial officers, employees, persons having substantial control, or other interested parties.	Article 3 The term "unethical conduct" mentioned in the Procedures and Guidelines refers to any personnel of the Company, in the course of their duties, directly or indirectly provides, promises, requests, or accepts improper benefits or commits a breach of ethics, unlawful act, or breach of fiduciary duty for purposes of acquiring or maintaining benefits. The counterparties of the unethical conduct under the preceding paragraph include public officials, political candidates, political parties or their staffs, and government-owned or private-owned enterprises or institutions and their directors, ~~—supervisors,~~ managerial officers, employees, persons having substantial control, or other interested parties.	Revise wording as appropriate in compliance with the Company's establishment of an audit committee.
Article 5 The Company designates the Finance Accounting Department as the solely responsible unit (hereinafter, "responsible unit") under the Board of Directors and in charge of the amendment, implementation, interpretation, and advisory services with respect to the Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation.	Article 5 The Company designates the ~~Finance Accounting~~ <u>Human Resource & General Affairs</u> Department as the solely responsible unit (hereinafter, "responsible unit") under the Board of Directors and in charge of the amendment, implementation, interpretation, and advisory services with respect to the Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation.	Adjust the solely responsible unit in compliance with the Company's management needs
Article 6 Except under one of the following circumstances, when providing, accepting, promising, or requesting, directly or indirectly, any benefits as specified in Article 4, the conduct of the given personnel of the Company shall comply with the provisions of “Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies” and the Procedures and Guidelines, and the relevant procedures shall have been carried out: 1. The conduct is undertaken to meet business needs and is in accordance with local courtesy, convention, or custom during domestic (or foreign) visits, reception of guests, promotion of business, and communication and coordination.	Article 6 Except under one of the following circumstances, when providing, accepting, promising, or requesting, directly or indirectly, any benefits as specified in Article 4, the conduct of the given personnel of the Company shall comply with the provisions of “Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies” and the Procedures and Guidelines, and the relevant procedures shall have been carried out: 1. The conduct is undertaken to meet business needs and is in accordance with local courtesy, convention, or custom during domestic (or foreign) visits, reception of guests, promotion of business, and communication and coordination.	Newly added contents in compliance with the Company's management needs

2. The conduct has its basis in ordinary social activities that are attended or others are invited to hold in line with accepted social custom, commercial purposes, or developing relationships. 3. Invitations to guests or attendance at commercial activities or factory visits in relation to business needs, when the method of fee payment, number of participants, class of accommodations, and the time period for the event or visit have been specified in advance.	2. The conduct has its basis in ordinary social activities that are attended or others are invited to hold in line with accepted social custom, commercial purposes, or developing relationships. 3. Invitations to guests or attendance at commercial activities or factory visits in relation to business needs, when the method of fee payment, <u>approximate</u> number of participants, class of accommodations, and the time period for the event or visit have been specified in advance <u>and implemented according to the Company's standard procedure</u>.	
Article 7 Except under any of the circumstances set forth in the preceding article, when any personnel of the Company are provided with or are promised, either directly or indirectly, any benefits as specified in Article 4 by a third party, the matter shall be handled in accordance with the following procedures: 1. If there is no relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall report to their immediate supervisor within 3 days from the acceptance of the benefit, and the responsible unit shall be notified if necessary. 2. If a relationship of interest does exist between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall return or refuse the benefit, and shall report to his or her immediate supervisor and notify the responsible unit. When the benefit cannot be returned, then within 3 days from the acceptance of the benefit, the personnel shall refer the matter to the responsible unit for handling. "A relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel," as referred to in the preceding paragraph, refers to one of the following circumstances: 1. When the two parties have commercial dealings, a relationship of direction and supervision, or subsidies (or rewards) for expenses. 2. When a contracting, trading, or other contractual relationship is being sought, is in progress, or has been established. 3. Other circumstances in which a decision regarding the Company's business, or the execution or non-execution of business, will result in a beneficial or adverse impact. The responsible unit of the Company shall make a proposal, based on the nature and value of the benefit under paragraph 1, that it be returned, accepted on payment, given to the public, donated to charity, or handled in another appropriate manner. The proposal shall be implemented after getting the Chairman's approval.	Article 7 Except under any of the circumstances set forth in the preceding article, when any personnel of the Company are provided with or are promised, either directly or indirectly, any benefits as specified in Article 4 by a third party, the matter shall be handled in accordance with the following procedures: 1. If there is no relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall report to their immediate supervisor within 3 days from the acceptance of the benefit, and the responsible unit shall be notified if necessary. 2. If a relationship of interest does exist between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall return or refuse the benefit, and shall report to his or her immediate supervisor and notify the responsible unit. When the benefit cannot be returned, then within 3 days from the acceptance of the benefit, the personnel shall refer the matter to the responsible unit for handling. "A relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel," as referred to in the preceding paragraph, refers to one of the following circumstances: 1. When the two parties have commercial dealings, a relationship of direction and supervision, or subsidies (or rewards) for expenses. 2. When a contracting, trading, or other contractual relationship is being sought, is in progress, or has been established. 3. Other circumstances in which a decision regarding the Company's business, or the execution or non-execution of business, will result in a beneficial or adverse impact. <u>If any circumstances under paragraph 1 happened, the immediate supervisor of the personnel</u> ~~The responsible unit of the Company~~ shall make a proposal, based on the nature and value of the benefit under paragraph 1, that it be returned, accepted on payment, given to the public, donated to charity, or handled in another appropriate manner. The proposal shall be implemented after getting <u>his/her supervisor and</u>	Newly added contents in compliance with the Company's management needs

	the President's approval. <u>And the situation shall be reported to the responsible unit simultaneously.</u>	
Article 8 The Company shall neither provide nor promise any facilitating payment. If any personnel of the Company provide or promise a facilitating payment under threat or intimidation, they shall submit a report to their immediate supervisor stating the facts and shall notify the responsible unit. Upon receipt of the report under the preceding paragraph, the responsible unit shall take immediate action and undertake a review of relevant matters in order to minimize the risk of recurrence. In a case involving alleged illegality, the responsible unit shall also immediately report to the relevant judicial agency.	Article 8 The Company shall neither provide nor promise any facilitating payment. If any personnel of the Company provide or promise a facilitating payment under threat or intimidation, they shall submit a report to their immediate supervisor stating the facts and shall notify the responsible unit. Upon receipt of the report under the preceding paragraph, the responsible unit shall take immediate action <u>jointly with other departments related</u> and undertake a review of relevant matters in order to minimize the risk of recurrence. In a case involving alleged illegality, the responsible unit shall also immediately report to the relevant judicial agency.	Newly added contents in compliance with the Company's management needs
Article 11 When director , supervisor, officer or other stakeholder of the Company attending or presenting at a meeting of Board of Directors, or the juristic person represented thereby, has a stake in a proposal at the meeting , that director, supervisor, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of the Company would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner. If in the course of conducting the Company's business, any personnel of the Company discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions.	Article 11 When any director, ~~supervisor~~, managerial officer or other stakeholder of the Company attending or presenting at a meeting of Board of Directors, or the juristic person represented thereby, has a stake in a proposal at the meeting , that director, ~~supervisor~~, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of the Company would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner. If in the course of conducting the Company's business, any personnel of the Company discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions.	Revise wording as appropriate in compliance with the Company's establishment of an audit committee.
Article 12 It is appropriate for the Company to set up a special unit charged with formulating and implementing procedures for managing, preserving, and maintaining the confidentiality of the Company's trade secrets, trademarks and other things of the same kind and it shall also conduct periodical reviews on the results of	Article 12 It is appropriate for the Company to set up a ~~special-responsible unit~~ <u>and Legal Affairs Department in</u> charge ~~of with~~ formulating and implementing procedures for managing, preserving, and maintaining the confidentiality of the Company's <u>corporate information</u>, trade secrets, trademarks and other ~~things of the same kind intellectual properties~~ and it shall also	Newly added contents in compliance with the Company's management needs

implementation to ensure the sustained effectiveness of the confidentiality procedures. All personnel of the Company shall faithfully follow the operational directions mentioned in the preceding paragraph and may not disclose to any other party any trade secrets, trademarks and other things of the same kind of the Company of which they have learned, nor may they inquire about or collect any trade secrets, trademarks and other things of the same kind of the Company unrelated to their individual duties.			conduct ~~periodical~~ reviews on the results of implementation to ensure the sustained effectiveness of the confidentiality procedures. All personnel of the Company shall faithfully follow the operational directions mentioned in the preceding paragraph and may not disclose to any other party any trade secrets, trademarks and other ~~things of the same kind intellectual properties~~ of the Company of which they have learned, nor may they inquire about or collect any trade secrets, trademarks and other ~~things of the same kind intellectual properties~~ of the Company unrelated to their individual duties.			
Article 20 When any personnel of the Company been found or reported engaging in any unethical conduct, the Company shall immediately verify the facts. If it is confirmed to have indeed violated the applicable laws and regulations or the Company's policy and regulations of ethical management, the Company shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, the Company will institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.			Article 20 When any personnel of the Company been found or reported engaging in any unethical conduct, the Company shall immediately verify the facts. If it is confirmed to have indeed violated the applicable laws and regulations or the Company's policy and regulations of ethical management, the Company shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, the Company will institute legal proceedings and seek damages to safeguard its reputation and its rights and interests. <u>Insiders having made a false report or malicious accusation shall be subject to disciplinary action and, if the circumstance concerned is material, be removed from office.</u> <u>The Company shall internally establish and publicly announce on its website and the intranet, or provide through an independent external institution, an independent mailbox or hotline, for Company insiders and outsiders to submit reports. Relevant information of whistle-blowing system is advised to be carried out pursuant to "Chapter 14 Whistle-blowing System" of the Human Resource & General Affairs Department.</u>			Newly added contents in compliance with the Company's management needs
The Procedures and Guidelines, and any amendments hereto, shall be implemented after adoption by resolution of the Board of Directors, and shall be delivered to each supervisor and reported to the shareholders meeting.			The Procedures and Guidelines, and any amendments hereto, shall be implemented after adoption by resolution of the Board of Directors, and shall be ~~delivered to each supervisor and~~ reported to the shareholders meeting.			Revise wording as appropriate in compliance with the Company's establishment of an audit committee.
Version	Date of Implementation /Amendment	Type of Approval	Version	Date of Implementation /Amendment	Type of Approval	Amending date added.
1	2014/03/27	Approved by Board of Directors	1	2014/03/27	Approved by Board of Directors	
2	2015/03/23	Approved by Board of Directors	2	2015/03/23	Approved by Board of Directors	
			<u>3</u>	<u>2017/08/10</u>	<u>Approved by Board of Directors</u>	

CHC Healthcare Group

Comparison Table of Revised Articles of “Code of Ethical Conduct”

【Attachment 6】

Article Before Revision	Article After Revision	Explanation
Article 1 Purpose of and Basis for Adoption In order to encourage directors, supervisors, and managerial officers of the Company (including general managers or their equivalents, assistant general managers or their equivalents, deputy assistant general managers or their equivalents, chief financial and chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of the Company) to act in line with ethical standards, and to help stakeholders better understand its ethical standards, the Company made the Code of Ethical Conduct to be followed.	Article 1 Purpose of and Basis for Adoption In order to encourage directors, ~~supervisors~~, and managerial officers of the Company (including general managers or their equivalents, assistant general managers or their equivalents, deputy assistant general managers or their equivalents, chief financial and chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of the Company) to act in line with ethical standards, and to help stakeholders better understand its ethical standards, the Company made the Code of Ethical Conduct to be followed.	Revise wording as appropriate in compliance with the Company's establishment of an audit committee.
Article 2 Content of the Code 1. Preventing Conflicts of Interest: Conflicts of interest occur when personal interest intervenes or is likely to intervene in the overall interest of the Company, as for example when a director, supervisor, or managerial officer of the Company is unable to perform their duties in an objective and efficient manner, or when a person in such a position takes advantage of their position in the Company to obtain improper benefits for either themselves or their spouse, parents, children, or relatives within the second degree of kinship. The Company shall pay special attention to loans of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise related to the aforementioned personnel. If the transactions mentioned above happened, in order to prevent the Company from conflicts of interest, related personnel shall voluntarily explain if there is any potential conflicts of interest between themselves and the Company and shall follow the regulation of the Company to deal with it. 2. Minimizing Incentives to Pursue Personal Gain: The Company shall prevent the directors, supervisors, and managerial officers from engaging in any of the following activities: (1) Seeking an opportunity to pursue personal gain by using the Company's property or information or taking advantage of their positions. (2) Obtaining personal gain by using the Company's property or information or taking advantage of their positions. (3) Competing with the Company.	Article 2 Content of the Code 1. Preventing Conflicts of Interest: Conflicts of interest occur when personal interest intervenes or is likely to intervene in the overall interest of the Company, as for example when a director, ~~supervisor~~, or managerial officer of the Company is unable to perform their duties in an objective and efficient manner, or when a person in such a position takes advantage of their position in the Company to obtain improper benefits for either themselves or their spouse, parents, children, or relatives within the second degree of kinship. The Company shall pay special attention to loans of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise related to the aforementioned personnel. If the transactions mentioned above happened, in order to prevent the Company from conflicts of interest, related personnel shall voluntarily explain if there is any potential conflicts of interest between themselves and the Company and shall follow the regulation of the Company to deal with it. 2. Minimizing Incentives to Pursue Personal Gain: The Company shall prevent the directors, ~~supervisors~~, and managerial officers from engaging in any of the following activities: (1) Seeking an opportunity to pursue personal gain by using the Company's property or information or taking advantage of their positions. (2) Obtaining personal gain by using the Company's property or information or taking advantage of their positions. (3) Competing with the Company.	Revise wording as appropriate in compliance with the Company's establishment of an audit committee.

Article Before Revision	Article After Revision	Explanation
When the Company has an opportunity for profit, it is the responsibility of the directors, supervisors, and managerial officers to maximize the reasonable and proper benefits that can be obtained by the Company. 3. Confidentiality: Directors, supervisors, and managerial officers shall be bound by the obligation to maintain the confidentiality of any information regarding the Company itself or its suppliers and customers, except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the Company or the suppliers and customers.	When the Company has an opportunity for profit, it is the responsibility of the directors, ~~supervisors,~~ and managerial officers to maximize the reasonable and proper benefits that can be obtained by the Company. 3. Confidentiality: Directors, ~~supervisors,~~ and managerial officers shall be bound by the obligation to maintain the confidentiality of any information regarding the Company itself or its suppliers and customers, except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the Company or the suppliers and customers.	
4. Fair Trade: Directors, supervisors, and managerial officers shall treat all suppliers, customers, competitors, and employees of the Company fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices. 5. Safeguarding and Proper Use of the Company's Assets: Directors, supervisors, and managerial officers have the responsibility to safeguard the Company's assets and to ensure that they can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the Company's profitability. 6. Legal Compliance: The Company shall strengthen its compliance with "Securities and Exchange Act" and other applicable laws, regulations, and bylaws. 7. Encouraging Reporting on Illegal or Unethical Activities: The Company shall raise awareness of ethics internally and encourage employees to report to a supervisor, managerial officer, chief internal auditor, or other appropriate individual of the Company upon suspicion or discovery of any activity in violation of a law or regulation or the Code of Ethical Conduct. In order to make employees aware that the Company will use its best efforts to ensure the safety of informants and protect them from reprisals, the Company will treat reported cases confidentially and investigate through independent channel. 8. Disciplinary Measures: When a director, supervisor, or managerial officer violates the Code of Ethical Conduct, the Company shall handle the matter in	4. Fair Trade: Directors, ~~supervisors,~~ and managerial officers shall treat all suppliers, customers, competitors, and employees of the Company fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices. 5. Safeguarding and Proper Use of the Company's Assets: Directors, ~~supervisors,~~ and managerial officers have the responsibility to safeguard the Company's assets and to ensure that they can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the Company's profitability. 6. Legal Compliance: The Company shall strengthen its compliance with "Securities and Exchange Act" and other applicable laws, regulations, and bylaws. 7. Encouraging Reporting on Illegal or Unethical Activities: <u>(1) The Company shall internally establish and publicly announce on its website and the intranet, or provide through an independent external institution, an independent mailbox or hotline, for the Company's insiders and outsiders to submit reports. Relevant matters shall be handled pursuant to "Whistle-blowing System" of the Company.</u> <u>(2) The Company shall raise awareness of ethics internally and encourage employees to report to—a—supervisor, an independent director,</u> managerial officer, chief internal auditor, or other appropriate individual of the Company upon suspicion or discovery of any activity in violation of a law or regulation or the Code of Ethical Conduct. In order to make	Newly added contents and revise wording as appropriate in compliance with the Company's establishment of an audit committee and management needs.

Article Before Revision			Article After Revision			Explanation
accordance with the law and the regulations of the Company, and shall without delay disclose on the Market Observation Post System (MOPS) the date of the violation by the violator, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken if the violation is serious.			employees aware that the Company will use its best efforts to ensure the safety of informants and protect them from reprisals, the Company will treat reported cases confidentially and investigate through independent channel. 8. Disciplinary Measures: When a director, ~~supervisor~~ , or managerial officer violates the Code of Ethical Conduct, the Company shall handle the matter in accordance with the law and the regulations of the Company, and shall without delay disclose on the Market Observation Post System (MOPS) the date of the violation by the violator, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken if the violation is serious.			
Article 3 Procedures for Exemption Any exemption for directors, supervisors, or managerial officers from compliance with the Code of Ethical Conduct shall be approved by the Board of Directors, and that information on the date on which the Board of Directors adopted the resolution for exemption, objections or reservations of independent directors, and the period of, reasons for, and principles behind the application of the exemption be disclosed without delay on the MOPS, in order that the shareholders may evaluate the appropriateness of the board resolution to forestall any arbitrary or dubious exemption from the code, and to safeguard the interests of the Company by ensuring appropriate mechanisms for controlling any circumstance under which such an exemption occurs.			Article 3 Procedures for Exemption Any exemption for directors, ~~supervisors~~ , or managerial officers from compliance with the Code of Ethical Conduct shall be approved by the Board of Directors, and that information on the date on which the Board of Directors adopted the resolution for exemption, objections or reservations of independent directors, and the period of, reasons for, and principles behind the application of the exemption be disclosed without delay on the MOPS, in order that the shareholders may evaluate the appropriateness of the board resolution to forestall any arbitrary or dubious exemption from the code, and to safeguard the interests of the Company by ensuring appropriate mechanisms for controlling any circumstance under which such an exemption occurs.			Revise wording as appropriate in compliance with the Company's establishment of an audit committee.
Article 5 Enforcement The Company's Code of Ethical Conduct, and any amendments to it, shall enter into force after it has been approved by the Board of Directors, delivered to each supervisor, and submitted to the Shareholders' Meeting.			Article 5 Enforcement The Company's Code of Ethical Conduct, and any amendments to it, shall enter into force after it has been approved by the Board of Directors, ~~delivered to each supervisor~~ , and submitted to the Shareholders' Meeting.			Revise wording as appropriate in compliance with the Company's establishment of an audit committee.
Version	Date of Implementation /Amendment	Type of Approval	Version	Date of Implementation /Amendment	Type of Approval	Amending date added.
1	2014/03/27	Approved by Board of Directors	1	2014/03/27	Approved by Board of Directors	
2	2015/03/23	Approved by Board of Directors	2	2015/03/23	Approved by Board of Directors	
			<u>3</u>	<u>2017/08/10</u>	<u>Approved by Board of Directors</u>	

【Attachment 7】

Report of Independent Auditors

(Translated from Chinese)

To the Board of Directors and Shareholders of CHC Healthcare Group

Opinion

We have audited the accompanying parent company only balance sheets of CHC Healthcare Group (the “Company”) as at December 31, 2017 and 2016, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2017 and 2016, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the “Regulations Governing the Preparations of Financial Reports by Securities Issuers”.

Basis for opinion

We conducted our audits in accordance with the “Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants” and generally accepted auditing standards in the Republic of China (ROC GAAS). Our responsibilities under those standards are further described in the ***Auditor’s responsibilities for the audit of the parent company only financial statements*** section of our report. We are independent of the Company in accordance with the Code of Professional Ethics for Certified Public Accountants in the Republic of China (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements of the current period. 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, we do not provide a separate opinion on these matters.

Key audit matters for the Company’s parent company only financial statements of the current period are stated as follows:

Key audit matters: Evaluation of the ending balance of investments accounted for under equity method

Please refer to Note 4(11) to the parent company only financial statements for the accounting policy, Notes 5(2) to the parent company only financial statements for details about accounting estimate and uncertainty of assumptions of impairment estimation of investments accounted for under equity method, Note 6(4) to the parent only company only financial statements for the investment illustrations of investments accounted for under equity method.

Chiu Ho Medical System Co., Ltd. (Chiu Ho Group), the Company's subsidiary with related ending balance of investments accounted for under equity method of \$2,652,673 (in thousands of NTD) and profit from investments of \$129,682 (in thousands of NTD) at December 31, 2017, respectively, constituting 37% of the Company's total asset and -150% of the Company's loss before income tax, and was considered significant to the Company's financial statements. Accordingly, evaluation of the ending balance of investments accounted for under equity method has been identified one of the most significant matters in our audit, and hence listed key audit matters—Impairment assessment of goodwill, and Impairment assessment of property, plant and equipment of this subsidiary on the Company's key audit matters. Descriptions of those key audit matters are shown as follows:

Impairment assessment of goodwill

Description

As of December 31, 2017, among all investments of the Company using equity method, the recognized goodwill of Chiu Ho Group due to merger and acquisition was \$150,617 (in thousands of NTD). The estimation Chiu Ho Group made was based on discounted recoverable amount of goodwill using proper discount rate and estimated future cash flows of minimal cash generating unit which can generating cash flows independently. The estimation above, involve subjective judgement and uncertainty due to estimation of future cash flows of the cash generating unit and assumptions used to make that estimation, which were significant to the result of recoverable amount estimation. Thus, the auditor considered the impairment assessment of goodwill of cash-generating organization one of the most important audit matters.

How our audit addressed the matter

The executed procedures in response to the specific aspect of the key audit matter described above by the auditors:

1. Understand the consistency in identifying objective evidence and procedure of impairment of goodwill and reason of impairment assessment by the management, and also confirm the dependability of these information.
2. Acquire the subsidiary's valuation report issued by expert appointing by the management and execute the following procedures:
 - (1) Review and evaluate the independence, objectivity and eligibility of the expert.

- (2) Evaluate the reasonableness of the model used by the expert to be in accordance with the knowledge to the operating and industrial nature of Chiu Ho Group.
- (3) Confirm whether the expected future cash flows adopted by the expert is in agreement with the budget in 5 years provided by the management.
- (4) Assess the reasonableness of the expert's material assumptions (including expected growth rate and discount rate) and check the accuracy of computing.

Impairment assessment of property, plant and equipment

Description

Due to radical market competition of the medical industry in recent years, part of the profit from the leasing business was below expectation. Chiu Ho Group had estimated recoverable amount of leasing assets which indicated impairment (recorded as "Property, plant and equipment" on the financial statements) for the reference of impairment assessment. Due to the subjective judgement and uncertainty involved in recoverable amount estimation, which was significant accounting assessing matter, the auditor recognized this impairment assessment of leasing assets which indicated impairment one of the most important audit matters.

How our audit addressed the matter

The executed procedures in response to the specific aspect of the key audit matter described above by the auditors:

1. Understand the consistency in identifying objective evidence and procedure of impairment of property, plant and equipment and reason of impairment assessment by the management, and also confirm the dependability of these information.
2. Acquire the asset valuation report issued by expert appointing by the management and execute the following procedures:
 - (1) Review and evaluate the independence, objectivity and eligibility of the expert.
 - (2) Evaluate the universality and appropriateness of the assessment method used by the expert to be in accordance with the knowledge to the operating and industrial nature of Chiu Ho Group.
 - (3) Confirm the consistency of replacement cost, comparing subject and asset condition between the valuation report and actual operating situation.
 - (4) Assess the relevance and reasonableness of the expert's material assumptions and check the accuracy of computing.

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 "Regulations Governing the Preparations of Financial Reports by Securities Issuers", and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free

from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ROC GAAS 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 non-consolidated financial statements.

As part of an audit in accordance with ROC GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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 Company's internal control.
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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of

our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, 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 the parent company only financial statements of the current period 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.

Sheng-Wei, Teng

Independent Auditors

Hsiao-Tzu, Chou

for and on behalf of PricewaterhouseCoopers, Taiwan

March 21, 2018

The accompanying financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying financial statements and report of independent auditors are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

CHC Healthcare Group
Parent Company Only Balance Sheet
December 31, 2017 & 2016
(Expressed in Thousands of New Taiwan Dollars)

			2017/12/31		2016/12/31	
Assets		Notes	Amount	%	Amount	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 549,051	8	\$ 64,058	1
1180	Accounts receivable - related parties	7	1,011	-	2,373	-
1200	Other receivables		446	-	433	-
1210	Other receivables - related parties	7	121,223	2	91,376	1
1220	Current income tax assets		2,185	-	1,527	-
1410	Prepayments		4,204	-	4,783	-
1470	Other current assets	8	30,000	-	100,000	2
11XX	Total current assets		708,120	10	264,550	4
Non-current assets						
1510	Financial assets at fair value through profit or loss – non-current	6(2)(6)(15)	660	-	-	-
1523	Available-for-sale financial assets – non-current	6(3)	62,890	1	186,219	3
1550	Investments accounted for under equity method	6(4)	6,350,651	88	6,364,595	93
1600	Property, plant and equipment		2,996	-	3,911	-
1840	Deferred income tax assets	6(18)	2,172	-	830	-
1980	Other non-current financial assets	8	53,802	1	3,802	-
1990	Other non-current assets - others		1,912	-	2,523	-
15XX	Total non-current assets		6,475,083	90	6,561,880	96
1XXX	Total assets		\$ 7,183,203	100	\$ 6,826,430	100

(Continued)

CHC Healthcare Group
Parent Company Only Balance Sheet
December 31, 2017 & 2016
(Expressed in Thousands of New Taiwan Dollars)

			2017/12/31		2016/12/31	
Liabilities and Equity	Notes		Amount	%	Amount	%
Current liabilities						
2120	Financial liabilities at fair value through profit or loss - current	6(5)(6)(15)	\$ -	-	\$ 13,000	-
2150	Notes payable		892	-	1,466	-
2170	Accounts payable		31	-	116	-
2200	Other payables		7,532	-	13,191	-
2220	Other payables - related parties	7	13,560	-	-	-
2230	Current income tax liabilities		-	-	3,543	-
2300	Other current liabilities	6(6)(7),8	487,502	7	1,062,095	16
21XX	Total current liabilities		509,517	7	1,093,411	16
Non-current liabilities						
2530	Corporate bonds payable	6(6),8	1,164,693	16	-	-
2540	Long-term borrowings	6(7),7,8	595,000	9	765,000	11
2570	Deferred income tax liabilities	6(18)	625	-	625	-
25XX	Total non-current liabilities		1,760,318	25	765,625	11
2XXX	Total liabilities		2,269,835	32	1,859,036	27
Equity						
Share capital						
3110	Share capital - common stock	6(10)	1,399,136	19	1,398,478	21
Capital surplus						
3200	Capital surplus	6(6)(9)(11)	2,927,016	41	2,891,710	42
Retained earnings						
3310	Legal reserve	6(12)(18)	245,206	3	229,313	3
3320	Special reserve		171,995	2	93,146	1
3350	Unappropriated retained earnings		203,226	3	526,742	8
Other equity interest						
3400	Other equity interest		(33,211)	-	(171,995)	(2)
3XXX	Total equity		4,913,368	68	4,967,394	73
Significant contingent liabilities and unrecorded contract commitments						
Significant subsequent events						
3X2X	Total liabilities and equity	11	\$ 7,183,203	100	\$ 6,826,430	100

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

President: Pei-Lin, Lee

CEO: Goung-Yu, Chen

CFO: Yi-Chun, Chen

CHC Healthcare Group
Parent Company Only Statements of Comprehensive Income
For the Years Ended December 31, 2017 and 2016
(Expressed in Thousands of New Taiwan Dollars, Except Earnings Per Share Data)

Item	Notes	2017		2016	
		Amount	%	Amount	%
4000 Operating revenue	6(13),7	\$ 326,640	100	\$ 307,929	100
5000 Operating costs	6(8)(9)(17),7	(89,709)	(28)	(97,956)	(32)
5900 Net operating Margin		<u>236,931</u>	<u>72</u>	<u>209,973</u>	<u>68</u>
Non-operating income and expenses					
7010 Other income	6(14),7	2,988	1	3,693	1
7020 Other gains and losses	6(2)(3)(5)(15)	(286,938)	(88)	(8,537)	(3)
7050 Finance costs	6(16)	(39,643)	(12)	(38,569)	(12)
7000 Total non-operating income and expenses		(323,593)	(99)	(43,413)	(14)
7900 (Loss) profit before income tax		(86,662)	(27)	166,560	54
7950 Income tax expense	6(18)	(33)	-	(7,628)	(2)
8000 (Loss) profit from continuing operations		(86,695)	(27)	158,932	52
Other comprehensive income (loss)					
Components of other comprehensive (loss) income that will be reclassified to profit or loss					
8361 Financial statements translation differences of foreign operations		(8,487)	(3)	(26,930)	(9)
8362 Unrealized gain (loss) on valuation of available-for-sale financial assets	6(3)	153,996	47	(42,413)	(14)
8380 Share of other comprehensive income (loss) of associates and joint ventures accounted for under equity method that will be reclassified to profit or loss		(8,168)	(2)	(695)	-
8399 Income tax relating to the components of other comprehensive income that will be reclassified to profit or loss	6(18)	<u>1,443</u>	<u>1</u>	(8,812)	(3)
8300 Other comprehensive (loss) income		<u>\$ 138,784</u>	<u>43</u>	<u>(\$ 78,850)</u>	<u>(26)</u>
8500 Total comprehensive (loss) income for the year		<u>\$ 52,089</u>	<u>16</u>	<u>\$ 80,082</u>	<u>26</u>
Basic (loss) earnings per share					
9750 Total basic (loss) earnings per share	6(19)	<u>(\$ 0.62)</u>		<u>\$ 1.14</u>	
Diluted (loss) earnings per share					
9850 Total diluted (loss) earnings per share	6(19)	<u>(\$ 0.62)</u>		<u>\$ 1.13</u>	

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

President: Pei-Lin, Lee

CEO: Goung-Yu, Chen

CFO: Yi-Chun, Chen

CHC Healthcare Group
Parent Company Only Statements of Change in Equity
For the Years Ended December 31, 2017 and 2016
(Expressed in Thousands of New Taiwan Dollars)

		Capital Surplus					Retained Earnings			Other Equity Interest		
		Share capital - common stock	Additional paid-in capital	Treasury stock transactions	Employee stock options	Others	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized gain or loss on available-for- sale financial assets	Total equity
Notes												
<u>For the year ended December 31, 2016</u>												
Balance at January 1, 2016		\$ 1,397,028	\$ 2,795,081	\$ 173	\$ 59,770	\$ 27,600	\$ 206,661	\$ 5,519	\$ 762,559	\$ 10,925	(\$ 104,070)	\$ 5,161,246
Distribution of 2015 earnings (*Note)	6(12)											
Legal reserve		-	-	-	-	-	22,652	-	(22,652)	-	-	-
Special reserve		-	-	-	-	-	-	87,627	(87,627)	-	-	-
Cash dividends		-	-	-	-	-	-	-	(279,964)	-	-	(279,964)
Exercise of employee stock options	6(10)	1,450	11,440	-	(7,291)	-	-	-	-	-	-	5,599
Employee stock option compensation cost	6(9)	-	-	-	(1,363)	-	-	-	-	-	-	(1,363)
Employee stock option compensation cost of subsidiary		-	-	-	6,300	-	-	-	-	-	-	6,300
Difference between consideration and carrying amount of subsidiaries acquired or disposed		-	-	-	-	-	-	-	(4,506)	-	-	(4,506)
Profit for the year		-	-	-	-	-	-	-	158,932	-	-	158,932
Other comprehensive (loss) income for the year		-	-	-	-	-	-	-	-	(22,245)	(56,605)	(78,850)
Balance at December 31, 2016		<u>\$ 1,398,478</u>	<u>\$ 2,806,521</u>	<u>\$ 173</u>	<u>\$ 57,416</u>	<u>\$ 27,600</u>	<u>\$ 229,313</u>	<u>\$ 93,146</u>	<u>\$ 526,742</u>	<u>(\$ 11,320)</u>	<u>(\$ 160,675)</u>	<u>\$ 4,967,394</u>
<u>For the year ended December 31, 2017</u>												
Balance at January 1, 2017		\$ 1,398,478	\$ 2,806,521	\$ 173	\$ 57,416	\$ 27,600	\$ 229,313	\$ 93,146	\$ 526,742	(\$ 11,320)	(\$ 160,675)	\$ 4,967,394
Distribution of 2016 earnings (*Note)	6(12)											
Legal reserve		-	-	-	-	-	15,893	-	(15,893)	-	-	-
Special reserve		-	-	-	-	-	-	78,849	(78,849)	-	-	-
Cash dividends		-	-	-	-	-	-	-	(140,490)	-	-	(140,490)
Convertible corporate bonds reverse sold		-	18,765	-	-	(18,765)	-	-	-	-	-	-
Conversion option of convertible corporate bonds		-	-	-	-	30,842	-	-	-	-	-	30,842
Exercise of employee stock options	6(10)	658	5,104	-	(3,277)	-	-	-	-	-	-	2,485
Employee stock option compensation cost	6(9)	-	-	-	1,279	-	-	-	-	-	-	1,279
Employee stock option compensation cost of subsidiary		-	-	-	1,358	-	-	-	-	-	-	1,358
Difference between consideration and carrying amount of subsidiaries acquired or disposed		-	-	-	-	-	-	-	(1,589)	-	-	(1,589)
Loss for the year		-	-	-	-	-	-	-	(86,695)	-	-	(86,695)
Other comprehensive (loss) income for the year		-	-	-	-	-	-	-	-	(7,438)	146,222	138,784
Balance at December 31, 2017		<u>\$ 1,399,136</u>	<u>\$ 2,830,390</u>	<u>\$ 173</u>	<u>\$ 56,776</u>	<u>\$ 39,677</u>	<u>\$ 245,206</u>	<u>\$ 171,995</u>	<u>\$ 203,226</u>	<u>(\$ 18,758)</u>	<u>(\$ 14,453)</u>	<u>\$ 4,913,368</u>

*Note: Compensations for employees \$120 in 2015 and \$170 in 2016 and remunerations for directors and supervisors \$4,800 for both 2015 and 2016 had been deducted from Statements of Comprehensive Income of the year.

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

President: Pei-Lin, Lee

CEO: Goung-Yu, Chen

CFO: Yi-Chun, Chen

CHC Healthcare Group
Parent Company Only Statements of Cash Flows
For the Years Ended December 31, 2017 and 2016
(Expressed in Thousands of New Taiwan Dollars)

	Notes	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) profit before income tax		(\$ 86,662)	\$ 166,560
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(17)	1,148	1,090
Amortisation	6(17)	611	608
Net loss on financial assets or liabilities at fair value through profit or loss	6(15)	9,242	8,200
Interest expenses	6(16)	26,070	25,729
Interest income	6(14)	(2,980)	(3,687)
Employee stock option compensation cost	6(9)	1,279	(1,363)
Share of profit of subsidiaries, associates and joint ventures accounted for under equity method	6(13)	(220,080)	(167,169)
Discount and amortisation on corporate bonds payable	6(16)	13,573	12,840
Impairment loss on financial assets	6(15)	277,325	-
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable - related parties, net		1,362	(567)
Other receivables		(13)	-
Prepayments		579	(1,182)
Other non-current assets, others		-	(1,060)
Changes in operating liabilities			
Notes payable		(574)	(1,041)
Accounts payable		(85)	111
Other payables		(5,687)	(676)
Other payables - related parties		13,560	-
Other current liabilities, others		(167)	(745)
Cash inflow generated from operations		28,501	37,648
Interest received		3,133	2,819
Dividends received		157,808	102,776
Interest paid		(26,042)	(25,737)
Income tax paid		(4,133)	(276)
Net cash flows from operating activities		159,267	117,230
CASH FLOWS FROM INVESTING ACTIVITIES			
(Increase) decrease in other receivables - related parties		(30,000)	50,000
Decrease (increase) in other current assets		70,000	(100,000)
Acquisition of investments accounted for under equity method		(259,670)	(337,516)
Proceeds from capital reduction of investments accounted for under equity method		319,000	40,000
Acquisition of property, plant and equipment		(233)	(463)
(Increase) decrease in other non-current financial assets		(50,000)	398
Net cash flows from (used in) investing activities		49,097	(347,581)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuing corporate bonds	6(6)	1,200,000	-
Issuing cost of corporate bonds payable		(6,800)	-
Repayments of corporate bonds		(693,566)	-
Repayment of long-term borrowings		(85,000)	-
Cash dividends paid	6(12)	(140,490)	(279,964)
Exercise of employee stock options		2,485	5,599
Net cash flows from (used in) financing activities		276,629	(274,365)
Increase (decrease) in cash and cash equivalents		484,993	(504,716)
Cash and cash equivalents at beginning of year		64,058	568,774
Cash and cash equivalents at end of year		\$ 549,051	\$ 64,058

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

CHC Healthcare Group Representation Letter

The entities that are required to be included in the combined financial statements of CHC Healthcare Group as of and for the year ended December 31, 2017, under “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standards No. 10, “Consolidated Financial Statements.” In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, CHC Healthcare Group and Subsidiaries do not prepare a separate set of combined financial statements.

Very truly yours,

CHC Healthcare Group

By
Pei-Lin, Lee
President

March 21, 2018

Report of Independent Auditors

(Translated from Chinese)

To the Board of Directors and Shareholders of CHC Healthcare Group

Opinion

We have audited the accompanying consolidated balance sheets of CHC Healthcare Group and its subsidiaries (the “Group”) as at December 31, 2017 and 2016, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2017 and 2016, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the “Regulations Governing the Preparations of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the “Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants” and generally accepted auditing standards in the Republic of China (ROC GAAS). Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the Code of Professional Ethics for Certified Public Accountants in the Republic of China (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Key audit matters for the Group’s consolidated financial statements of the current period are stated as follows:

Key audit matters: Impairment assessment of goodwill

Description

Please refer to Note 4(19) to the consolidated financial statements for the accounting policy of impairment of goodwill, Notes 5(2) to the consolidated financial statements for details about accounting estimate and uncertainty of assumptions of impairment assessment of goodwill.

As of December 31, 2017, the Group's recognized goodwill as a result of acquisitions of Shih-Lu Co., Ltd. amounted to \$150,617 (in thousands of NTD).

The estimation the Group made was based on discounted recoverable amount of goodwill using proper discount rate and estimated future cash flows of minimal cash generating unit which can generating cash flows independently. The estimation above, involve subjective judgement and uncertainty due to estimation of future cash flows of the cash generating unit and assumptions used to make that estimation, which were significant to the result of recoverable amount estimation. Thus, the auditor considered the impairment assessment of goodwill of cash-generating organization one of the most important audit matters.

How our audit addressed the matter

The executed procedures in response to the specific aspect of the key audit matter described above by the auditors:

1. Understand the consistency in identifying objective evidence and procedure of impairment of goodwill and reason of impairment assessment by the management, and also confirm the dependability of these information.
2. Acquire the subsidiary's valuation report issued by expert appointing by the management and execute the following procedures:
 - (1) Review and evaluate the independence, objectivity and eligibility of the expert.
 - (2) Evaluate the reasonableness of the model used by the expert to be in accordance with the knowledge to the operating and industrial nature of the Group.
 - (3) Confirm whether the expected future cash flows adopted by the expert is in agreement with the budget in 5 years provided by the management.
 - (4) Assess the reasonableness of the expert's material assumptions (including expected growth rate and discount rate) and check the accuracy of computing.

Key audit matters: Impairment assessment of property, plant and equipment

Description

Due to radical market competition of the medical industry in recent years, part of the profit from the leasing business was below expectation. The Group had estimated recoverable amount of leasing assets which indicated impairment (recorded as "Property, plant and equipment" on the financial statements) for the reference of impairment assessment. Due to the subjective judgement and uncertainty involved in recoverable amount estimation, which was significant accounting assessing matter, the auditor recognized this impairment assessment of leasing

assets which indicated impairment one of the most important audit matters.

Please refer to Note 4(19) to the consolidated financial statements for the accounting policy of impairment of assets, Notes 5(2) to the consolidated financial statements for accounting estimate and uncertainty of assumptions of impairment assessment of assets.

How our audit addressed the matter

The executed procedures in response to the specific aspect of the key audit matter described above by the auditors:

1. Understand the consistency in identifying objective evidence and procedure of impairment of property, plant and equipment and reason of impairment assessment by the management, and also confirm the dependability of these information.
2. Acquire the asset valuation report issued by expert appointing by the management and execute the following procedures:
 - (1) Review and evaluate the independence, objectivity and eligibility of the expert.
 - (2) Evaluate the universality and appropriateness of the assessment method used by the expert to be in accordance with the knowledge to the operating and industrial nature of the Group.
 - (3) Confirm the consistency of replacement cost, comparing subject and asset condition between the valuation report and actual operating situation.
 - (4) Assess the relevance and reasonableness of the expert's material assumptions and check the accuracy of computing.

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion on the parent company only financial statements of CHC Healthcare Group as at and for the years ended December 31, 2017 and 2016.

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 “Regulations Governing the Preparations of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, 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 Group's ability to continue as a going concern, 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 audit committee, are responsible for overseeing the Group's financial reporting process.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ROC GAAS 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 ROC GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, 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 the consolidated financial statements of the current period 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.

Sheng-Wei, Teng

Independent Auditors

Hsiao-Tzu, Chou

for and on behalf of PricewaterhouseCoopers, Taiwan

March 21, 2018

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The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and report of independent auditors are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

For the convenience of readers and for information purpose only, the auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

CHC Healthcare Group and Subsidiaries
Consolidated Balance Sheet
December 31, 2017 & 2016
(Expressed in Thousands of New Taiwan Dollars)

			2017/12/31		2016/12/31	
Assets		Notes	Amount	%	Amount	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,444,363	14	\$ 1,163,322	12
1150	Notes receivable, net	6(4),8	45,082	-	54,869	1
1160	Notes receivable - related parties	7	-	-	140,619	2
1170	Accounts receivable, net	6(5)	511,801	5	531,950	5
1180	Accounts receivable - related parties	7	231,771	2	65,113	1
1200	Other receivables		1,937	-	2,335	-
1210	Other receivables - related parties	7	88,659	1	26,000	-
1220	Current income tax assets		20,644	-	20,030	-
130X	Inventories	6(6)	290,360	3	215,847	2
1410	Prepayments	6(7)	348,650	3	126,717	1
1470	Other current assets	8	58,316	1	160,789	2
11XX	Total current assets		3,041,583	29	2,507,591	26
Non-current assets						
1510	Financial assets at fair value through profit or loss – non-current	6(2)(25)	660	-	-	-
1523	Available-for-sale financial assets – non-current	6(3)	89,837	1	220,940	2
1550	Investments accounted for under equity method	6(8)	14,241	-	10,783	-
1600	Property, plant and equipment	6(9),8	4,609,262	43	4,754,993	49
1760	Investment property, net	6(10),8	1,152,185	11	1,162,421	12
1780	Intangible assets	6(32)	161,746	2	161,746	2
1840	Deferred income tax assets	6(28)	22,543	-	16,146	-
1980	Other non-current financial assets	6(11),7,8	612,925	6	501,285	5
1990	Other non-current assets - others	6(9)(12)	887,981	8	447,551	4
15XX	Total non-current assets		7,551,380	71	7,275,865	74
1XXX	Total assets		\$ 10,592,963	100	\$ 9,783,456	100

(Continued)

CHC Healthcare Group and Subsidiaries
Consolidated Balance Sheet
December 31, 2017 & 2016
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity		Notes	2017/12/31		2016/12/31				
			Amount	%	Amount	%			
Current liabilities									
2100	Short-term borrowings	6(13),8	\$	641,535	6	\$	434,167	4	
2120	Financial liabilities at fair value through profit or loss - current	6(14)(15)		-	-		13,000	-	
2150	Notes payable			4,139	-		5,638	-	
2170	Accounts payable			136,576	1		177,496	2	
2180	Accounts payable - related parties	7		4,696	-		3,250	-	
2200	Other payables	6(9)		58,549	1		88,802	1	
2220	Other payables - related parties	7		-	-		1,161	-	
2230	Current income tax liabilities			44,827	-		31,332	-	
2250	Provisions for liabilities - current			9,752	-		15,987	-	
2300	Other current liabilities	6(15)(16),8		903,438	9		1,419,725	15	
21XX	Total current liabilities			1,803,512	17		2,190,558	22	
Non-current liabilities									
2530	Corporate bonds payable	6(15),8		1,164,693	11		-	-	
2540	Long-term borrowings	6(16),8		2,349,362	22		2,263,024	23	
2550	Provisions for liabilities – non-current			745	-		2,967	-	
2570	Deferred income tax liabilities	6(28)		40,131	1		40,091	1	
2600	Other non-current liabilities	6(8)(17)		320,083	3		317,351	3	
25XX	Total non-current liabilities			3,875,014	37		2,623,433	27	
2XXX	Total liabilities			5,678,526	54		4,813,991	49	
Equity attributable to owners of parent									
Share capital									
3110	Share capital – common stock	6(19)(20)		1,399,136	13		1,398,478	14	
Capital surplus									
3200	Capital surplus	6(15)(19)(21)		2,927,016	27		2,891,710	30	
Retained earnings									
3310	Legal reserve	6(22)(28)		245,206	2		229,313	2	
3320	Special reserve			171,995	2		93,146	1	
3350	Unappropriated retained earnings			203,226	2		526,742	6	
Other equity interest									
3400	Other equity interest	6(3),8	(	33,211)	-	(	171,995)	(	2)
31XX	Equity attributable to owners of parent			4,913,368	46		4,967,394	51	
36XX	Non-controlling interests			1,069	-		2,071	-	
3XXX	Total equity			4,914,437	46		4,969,465	51	
Significant contingent liabilities and unrecorded contract commitments									
Significant subsequent events									
3X2X	Total liabilities and equity	11	\$	10,592,963	100	\$	9,783,456	100	

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

President: Pei-Lin, Lee

CEO: Goung-Yu, Chen

CFO: Yi-Chun, Chen

CHC Healthcare Group and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Years Ended December 31, 2017 and 2016

(Expressed in Thousands of New Taiwan Dollars, Except Earnings Per Share Data)

Item	Notes	2017		2016	
		Amount	%	Amount	%
4000 Operating revenue	6(10)(23)(31),7	\$ 2,117,116	100	\$ 2,205,206	100
5000 Operating costs	6(6)(10)(18)(27),7	(1,428,463)	(67)	(1,585,595)	(72)
5950 Gross profit		<u>688,653</u>	<u>33</u>	<u>619,611</u>	<u>28</u>
Operating expenses	6(10)(18)(19)(27)(31)				
6100 Selling expenses		(113,773)	(5)	(125,009)	(6)
6200 General and administrative expenses		(222,005)	(11)	(186,447)	(8)
6000 Total operating expenses		<u>(335,778)</u>	<u>(16)</u>	<u>(311,456)</u>	<u>(14)</u>
6900 Operating profit		<u>352,875</u>	<u>17</u>	<u>308,155</u>	<u>14</u>
Non-operating income and expenses					
7010 Other income	6(24),7	22,285	1	6,941	-
7020 Other gains and losses	6(2)(3)(14)(15)(25)	(322,035)	(15)	(16,522)	(1)
7050 Finance costs	6(15)(26)	(71,509)	(4)	(68,323)	(3)
7060 Share of (loss) profit of associates and joint ventures accounted for under equity method	6(8)	(7,692)	-	(2,517)	-
7000 Total non-operating income and expenses		<u>(378,951)</u>	<u>(18)</u>	<u>(80,421)</u>	<u>(4)</u>
7900 (Loss) profit before income tax		<u>(26,076)</u>	<u>(1)</u>	<u>227,734</u>	<u>10</u>
7950 Income tax expense	6(28)	(63,210)	(3)	(67,130)	(3)
8200 (Loss) profit for the year		<u>(\$ 89,286)</u>	<u>(4)</u>	<u>\$ 160,604</u>	<u>7</u>
Other comprehensive income (loss)					
Components of other comprehensive (loss) income that will be reclassified to profit or loss					
8361 Financial statements translation differences of foreign operations		(\$ 8,487)	(1)	(\$ 26,930)	(1)
8362 Unrealized gain (loss) on valuation of available-for-sale financial assets	6(3)	146,222	7	(42,413)	(2)
8370 Share of other comprehensive income (loss) of associates and joint ventures accounted for under equity method that will be reclassified to profit or loss	6(8)	(453)	-	107	-
8399 Income tax relating to the components of other comprehensive income that will be reclassified to profit or loss	6(28)	<u>1,502</u>	<u>-</u>	<u>(9,614)</u>	<u>-</u>
8300 Other comprehensive (loss) income		<u>\$ 138,784</u>	<u>6</u>	<u>(\$ 78,850)</u>	<u>(3)</u>
8500 Total comprehensive (loss) income for the year		<u>\$ 49,498</u>	<u>2</u>	<u>\$ 81,754</u>	<u>4</u>
Profit (loss), attributable to:					
8610 Owners of parent		(\$ 86,695)	(4)	\$ 158,932	7
8620 Non-controlling interests		<u>(\$ 2,591)</u>	<u>-</u>	<u>\$ 1,672</u>	<u>-</u>
Comprehensive (loss) income attributable to:					
8710 Owners of parent		<u>\$ 52,089</u>	<u>2</u>	<u>\$ 80,082</u>	<u>4</u>
8720 Non-controlling interests		<u>(\$ 2,591)</u>	<u>-</u>	<u>\$ 1,672</u>	<u>-</u>
Basic (loss) earnings per share	6(29)				
9750 Total basic (loss) earnings per share		<u>(\$ 0.62)</u>		<u>\$ 1.14</u>	
Diluted (loss) earnings per share	6(29)				
9850 Total diluted (loss) earnings per share		<u>(\$ 0.62)</u>		<u>\$ 1.13</u>	

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

President: Pei-Lin, Lee

CEO: Goung-Yu, Chen

CFO: Yi-Chun, Chen

CHC Healthcare Group and Subsidiaries
Consolidated Statements of Change in Equity
For the Years Ended December 31, 2017 and 2016
(Expressed in Thousands of New Taiwan Dollars)

		Equity attributable to owners of the parent													
		Capital Surplus					Retained Earnings			Other equity interest					
		Share capital - common stock	Additional paid-in capital	Treasury stock transactions	Employee stock options	Others	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized gain or loss on available-for-sale financial assets	Total	Non-controlling interest	Total equity	
Notes															
For the year ended December 31, 2016															
		\$ 1,397,028	\$ 2,795,081	\$ 173	\$ 59,770	\$ 27,600	\$ 206,661	\$ 5,519	\$ 762,559	\$ 10,925	(\$ 104,070)	\$ 5,161,246	\$ 404,943	\$ 5,566,189	
	Distribution of 2015 earnings	6(22)													
	Legal reserve	-	-	-	-	-	22,652	-	(22,652)	-	-	-	-	-	
	Special reserve	-	-	-	-	-	-	87,627	(87,627)	-	-	-	-	-	
	Cash dividends	-	-	-	-	-	-	-	(279,964)	-	-	(279,964)	-	(279,964)	
	Exercise of employee stock options	6(20)	1,450	11,440	-	(7,291)	-	-	-	-	-	5,599	-	5,599	
	Employee stock option compensation cost	6(19)	-	-	-	(1,363)	-	-	-	-	-	(1,363)	-	(1,363)	
	Employee stock option compensation cost of subsidiary	6(19)	-	-	-	6,300	-	-	-	-	-	6,300	-	6,300	
	Profit for the year		-	-	-	-	-	-	158,932	-	-	158,932	1,672	160,604	
	Difference between consideration and carrying amount of subsidiaries acquired or disposed	6(30)	-	-	-	-	-	-	(4,506)	-	-	(4,506)	-	(4,506)	
	Other comprehensive loss for the year		-	-	-	-	-	-	-	(22,245)	(56,605)	(78,850)	-	(78,850)	
	Non-controlling interests	6(30),7	-	-	-	-	-	-	-	-	-	-	(404,544)	(404,544)	
	Balance at December 31, 2016		\$ 1,398,478	\$ 2,806,521	\$ 173	\$ 57,416	\$ 27,600	\$ 229,313	\$ 93,146	\$ 526,742	(\$ 11,320)	(\$ 160,675)	\$ 4,967,394	\$ 2,071	\$ 4,969,465
For the year ended December 31, 2017															
	Balance at January 1, 2017		\$ 1,398,478	\$ 2,806,521	\$ 173	\$ 57,416	\$ 27,600	\$ 229,313	\$ 93,146	\$ 526,742	(\$ 11,320)	(\$ 160,675)	\$ 4,967,394	\$ 2,071	\$ 4,969,465
	Distribution of 2016 earnings	6(22)													
	Legal reserve		-	-	-	-	15,893	-	(15,893)	-	-	-	-	-	
	Special reserve		-	-	-	-	-	78,849	(78,849)	-	-	-	-	-	
	Cash dividends		-	-	-	-	-	-	(140,490)	-	-	(140,490)	-	(140,490)	
	Convertible corporate bonds reverse sold	6(15)	-	18,765	-	-	(18,765)	-	-	-	-	-	-	-	
	Conversion option of convertible corporate bonds	6(15)	-	-	-	-	30,842	-	-	-	-	30,842	-	30,842	
	Exercise of employee stock options	6(20)	658	5,104	-	(3,277)	-	-	-	-	-	2,485	-	2,485	
	Employee stock option compensation cost	6(19)	-	-	-	1,279	-	-	-	-	-	1,279	-	1,279	
	Employee stock option compensation cost of subsidiary	6(19)	-	-	-	1,358	-	-	-	-	-	1,358	-	1,358	
	Loss for the year		-	-	-	-	-	-	(86,695)	-	-	(86,695)	(2,591)	(89,286)	
	Difference between consideration and carrying amount of subsidiaries acquired or disposed		-	-	-	-	-	-	(1,589)	-	-	(1,589)	-	(1,589)	
	Other comprehensive loss (income) for the year		-	-	-	-	-	-	-	(7,438)	146,222	138,784	-	138,784	
	Non-controlling interests		-	-	-	-	-	-	-	-	-	-	1,589	1,589	
	Balance at December 31, 2017		\$ 1,399,136	\$ 2,830,390	\$ 173	\$ 56,776	\$ 39,677	\$ 245,206	\$ 171,995	\$ 203,226	(\$ 18,758)	(\$ 14,453)	\$ 4,913,368	\$ 1,069	\$ 4,914,437

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

CHC Healthcare Group and Subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2017 and 2016
(Expressed in Thousands of New Taiwan Dollars)

	Notes	2017	2016
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
(Loss) profit before income tax		(\$ 26,076)	\$ 227,734
Adjustments			
Adjustments to reconcile profit (loss)			
Provision for bad debt		37,864	11,221
Depreciation	6(9)(10)(27)	432,245	397,752
Loss on disposal of property, plant and equipment	6(9)	-	21
Property, plant and equipment transferred to expenses	6(9)	-	208
Interest expenses		63,592	46,004
Interest income	6(24)	(4,581)	(3,211)
Share of loss of associates and joint ventures accounted for under the equity method	6(8)	7,692	2,517
Net loss on financial assets or liabilities at fair value through profit or loss	6(14)(25)	9,242	8,200
Discount and amortisation on corporate bonds payable	6(26)	13,573	12,840
Employee stock option compensation cost	6(19)	2,637	4,937
Impairment loss on financial assets	6(25)	277,325	-
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable, net		9,787	2,723
Notes receivable due from related parties		140,619	17,335
Accounts receivable, net		(18,040)	308,835
Accounts receivable - related parties		(166,658)	(47,325)
Other receivables		398	(903)
Other receivables – related parties		(53,000)	-
Inventories		(75,102)	78,821
Prepayments		(221,876)	6,541
Other current assets		50,481	(58,347)
Changes in operating liabilities			
Notes payable		(1,499)	(48,882)
Accounts payable		(49,755)	8,447
Accounts payable – related parties		1,446	-
Other payables		(22,840)	3,090
Other payables – related parties		(1,161)	-
Provisions for liabilities – current		(6,235)	(5,884)
Other current liabilities		8,265	7,183
Provisions for liabilities – non-current		(2,222)	(7,664)
Cash inflow generated from operations		406,121	972,193
Interest paid		(61,690)	(46,488)
Interest received		4,581	3,211
Income tax paid		(55,196)	(83,921)
Net cash flows from operating activities		293,816	844,995

(Continued)

CHC Healthcare Group and Subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2017 and 2016
(Expressed in Thousands of New Taiwan Dollars)

	Notes	2017	2016
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Decrease in other current assets		\$ 51,992	\$ 460
Acquisition of investments accounted for under equity method	6(8)	(21,140)	(13,193)
Acquisition of property, plant and equipment	6(9)	(237,786)	(354,915)
Capitalize interest associated with acquisition of property, plant and equipment	6(9)	(428)	(1,563)
Acquisition of investment properties	6(10)	(3,767)	(2,050)
Increase in refundable deposits		(154,984)	(205,845)
Decrease in refundable deposits		104,012	90,625
Increase in other non-current assets		(471,250)	(56,396)
Capitalize interest associated with increase in other non-current assets		(7,563)	(5,463)
Increase in other non-current financial assets		(71,870)	(207,061)
Net cash flows used in investing activities		(812,784)	(755,401)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings		2,084,474	2,278,956
Decrease in short-term borrowings		(1,793,830)	(2,119,059)
Proceeds from long-term borrowings		1,211,792	379,641
Repayments of long-term borrowings		(1,080,578)	(303,623)
Increase in guarantee deposits received		14,725	-
Decrease in guarantee deposits received		(11,923)	(16,664)
Increase in other non-current liabilities		-	292,173
Decrease in other non-current liabilities		(160)	-
Repayments of corporate bonds		(693,566)	-
Proceeds from issuing corporate bonds	6(15)	1,200,000	-
Issuing cost of corporate bonds payable		(6,800)	-
Cash dividends paid	6(22)	(140,490)	(279,964)
Exercise of employee stock options		2,485	5,599
Acquisition of ownership interests in subsidiaries	6(30)	(1,589)	(4,506)
Change in non-controlling interests		1,589	(404,544)
Net cash flows from (used in) financing activities		786,129	(171,991)
Effect due to changes in exchange rate on cash and cash equivalents		13,880	(12,114)
Increase (decrease) in cash and cash equivalents		281,041	(94,511)
Cash and cash equivalents at beginning of year		1,163,322	1,257,833
Cash and cash equivalents at end of year		\$ 1,444,363	\$ 1,163,322

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

President: Pei-Lin, Lee

CEO: Goung-Yu, Chen

CFO: Yi-Chun, Chen

CHC Healthcare Group

Comparison Table of Revised Articles of “Operational Procedures for Loaning Funds to Others”

【Attachment 8】

Article Before Revision			Article After Revision			Explanation
8. Subsequent Measures for Control and Management of Loans and Procedures for Handling Delinquent Creditor's Rights (1). After the loan of funds is granted, financial status, business and credit status of the borrower shall be followed and traced. In case any collateral is furnished, attention shall be paid to the value change of it. In case of material change in the value of the collateral, the general manager or the President shall immediately be notified and proper measures shall be taken as instructed by the general manager or the President. (2). When the loan of funds is due or the borrower pays the loan before the due date, the borrower shall calculate the interests payable and pay the interests with the principal before the promissory note and the borrowings may be rescinded and returned to the lender or the mortgage registration may be cancelled. (3). If the timely repayment could not be effected and extension of the term is needed when the loan of funds is due, appropriate conservatory measures shall be adopted to safeguard the Company's rights as a creditor after notice of collection had been sent by the Company. (The following is omitted)			8. Subsequent Measures for Control and Management of Loans and Procedures for Handling Delinquent Creditor's Rights (1). After the loan of funds is granted, financial status, business and credit status of the borrower shall be followed and traced. In case any collateral is furnished, attention shall be paid to the value change of it. In case of material change in the value of the collateral, the general manager or the President shall immediately be notified and proper measures shall be taken as instructed by the general manager or the President. (2). When the loan of funds is due or the borrower pays the loan before the due date, the borrower shall calculate the interests payable and pay the interests with the principal before the promissory note and the borrowings may be rescinded and returned to the lender or the mortgage registration may be cancelled. (3). If the timely repayment could not be effected ~~and extension of the term is needed~~ when the loan of funds is due, appropriate conservatory measures shall be adopted to safeguard the Company's rights as a creditor after notice of collection had been sent by the Company. (The following is omitted)			Revise wording as appropriate in compliance with the Company's practice.
Version	Date of Implementation /Amendment	Type of Approval	Version	Date of Implementation /Amendment	Type of Approval	Amending date added.
1	2010/01/15	Approved by Board of Directors	1	2010/01/15	Approved by Board of Directors	
	2010/02/10	Approved on Special Shareholders' Meeting		2010/02/10	Approved on Special Shareholders' Meeting	
2	2012/08/03	Approved by Board of Directors	2	2012/08/03	Approved by Board of Directors	
	2013/06/14	Approved on Shareholders' Meeting		2013/06/14	Approved on Shareholders' Meeting	
3	2014/03/27	Approved by Board of Directors	3	2014/03/27	Approved by Board of Directors	
	2014/06/17	Approved on Shareholders' Meeting		2014/06/17	Approved on Shareholders' Meeting	
4	2017/03/24	Approved by Board of Directors	4	2017/03/24	Approved by Board of Directors	
	2017/05/02			2017/05/02		
	2017/06/13	Approved on Shareholders' Meeting		2017/06/13	Approved on Shareholders' Meeting	
			5	2017/11/13	Approved by Board of Directors	

CHC Healthcare Group

Comparison Table of Revised Articles of “Procedures for Endorsement & Guarantee”

【Attachment 9】

Article Before Revision			Article After Revision			Explanation
10. Procedure for Controlling the Subsidiary’s Endorsement/ Guarantee (1) If the subsidiary intends to make endorsement/guarantee for others, it shall make its own procedure for endorsement & guarantee and follow it according to “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” enacted by SFB. (2) The total amount of the subsidiary’s endorsement/guarantee is limited to 50% of its net worth. And the amount the subsidiary’s endorsement/guarantee to any individual entity is limited to 25% of its net worth. (The following is omitted)			10. Procedure for Controlling the Subsidiary’s Endorsement/ Guarantee (1) If the subsidiary intends to make endorsement/guarantee for others, it shall make its own procedure for endorsement & guarantee and follow it according to “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” enacted by SFB. (2) The total amount of the subsidiary’s endorsement/guarantee is limited to <u>three times</u>~~50%~~ of its net worth. And the amount the subsidiary’s endorsement/guarantee to any individual entity is limited to <u>two times</u>~~25%~~ of its net worth. (The following is omitted)			Revise wording as appropriate in compliance with the Company's practice.
Version	Date of Implementation /Amendment	Type of Approval	Version	Date of Implementation /Amendment	Type of Approval	Amending date added.
1	2010/01/15	Approved by Board of Directors	1	2010/01/15	Approved by Board of Directors	
	2010/02/10	Approved on Special Shareholders' Meeting		2010/02/10	Approved on Special Shareholders' Meeting	
2	2012/08/03	Approved by Board of Directors	2	2012/08/03	Approved by Board of Directors	
	2013/06/14	Approved on Shareholders' Meeting		2013/06/14	Approved on Shareholders' Meeting	
3	2014/03/27	Approved by Board of Directors	3	2014/03/27	Approved by Board of Directors	
	2014/06/17	Approved on Shareholders' Meeting		2014/06/17	Approved on Shareholders' Meeting	
4	2015/03/23	Approved by Board of Directors	4	2015/03/23	Approved by Board of Directors	
	2015/06/12	Approved on Shareholders' Meeting		2015/06/12	Approved on Shareholders' Meeting	
5	2017/03/24	Approved by Board of Directors	5	2017/03/24	Approved by Board of Directors	
	2017/06/13	Approved on Shareholders' Meeting		2017/06/13	Approved on Shareholders' Meeting	
			<u>6</u>	<u>2017/11/13</u>	<u>Approved by Board of Directors</u>	

【Attachment 10】

CHC Healthcare Group

**Detail List of the Directors and Their Representatives
to be Released from Non-Competition Restrictions**

Director	Restricted Position to Be Released
Director Tien-Ying, Lee	Representative of a Juristic-Person Director and Chief Operations Officer of Swissray Global Healthcare Holding Ltd.
Independent Director Gui-Duan, Chen	Independent Director of Lee Chi Enterprises Co., Ltd.
Independent Director Geng-Wang, Laiw	Attending Physician, Department of Emergency Medicine / Secretary-General, Superintendent Office / Director, Planning and Public Affairs, YeeZen General Hospital

【Appendix 1】

Articles of Incorporation Of CHC Healthcare Group (The “Company”)

Chapter 1 General Provisions

Article 1

The Company is incorporated as a company limited by shares under “Company Act”, and its name is “CHC Healthcare Group”.

Article 2

The scope of business of the Company is as follows:

1. H201010 Investment

Article 3

The Company has its head-office in Taipei City and, if necessary, may set up branches in and out of this country upon a resolution of its Board of Directors.

Article 4

When necessary for its operations, the Company may provide endorsements/guarantees in accordance with the procedure made by its Board of Directors.

Article 4-1

The Company may transfer the holding shares of “Chiu Ho Medical System Co., Ltd.” and “Tomorrow Medical System Co., Ltd.” after getting approval on shareholders’ meeting. Or the Company may waived cash capital increase plan to the two companies mentioned above after getting approval on shareholders’ meeting.

Chapter 2 Shares

Article 5

The total capital amount of the Company is NT\$2.5 billion accounting for 250 million shares, issued in installments, at a par value of NT\$10 per share. Board of Directors is authorized to issue the unissued shares depending on actual situation.

A total of NT\$50 million among the above total capital amount should be reserved for issuing employee stock option certificates, preferred shares with warrants or corporate bonds with warrants. Board of Directors is authorized to issue in installments.

Exercise price of employee stock option certificates is not limit by relevant laws, only the issuance need a resolution at a shareholders’ meeting shall be adopted if voted in favor by two-thirds of the votes at a shareholders’ meeting at which shareholders of more than one-half of the total issued and outstanding shares are present and shall be carried out by installments within one year of the date of the resolution of the shareholders’ meeting.

Article 6

The share certificate of the Company shall all be name-bearing, numbering and shall be signed by, affixed with the seals or by signature of, at least three directors of the Company, and issued after duly authentication pursuant to the law. The Company may issue shares without printing share certificates, only shall be in custody or registration under centralized securities depository enterprise, which also applies in issuance of corporate bonds.

Article 7

Registration for transfer of shares shall all be suspended 60 days before the convocation of any general shareholders’ meeting, 30 days before the convocation of any special shareholders’ meeting, or 5 days before the record day for distribution of dividend, interest and bonus or any other benefit as scheduled by the Company.

Article 8

All shareholder services of the Company shall follow “Regulations Governing the Administration of

Shareholder Services of Public Companies” unless specified otherwise by law and securities regulations.

Chapter 3 Shareholders' Meeting

Article 9

Shareholders’ meetings of the Company are of two types:

1. General shareholders’ meeting, which shall be convened at least once a year and within six months after the end of each fiscal year.
2. Special shareholders' meeting, which shall be convened in accordance with laws when necessary.

Shareholders’ meetings mentioned above shall be convened by Board of Directors unless specified otherwise by law and securities regulations.

Article 10

The chair of the shareholders’ meeting shall be appointed in accordance with Article 182-1 and 208-3 of “Company Act”.

Article 11

In case a shareholder is unable to attend a shareholders’ meeting, he/she may issue proxy printed by the Company setting forth the scope of authorization by signing or affixing his/her seal on the proxy form for the representative to be present on his/her behalf. Except for complying with Article 177 of “Company Act” and Article 25-1 of “Securities and Exchange Act”, use of Proxies shall follow “Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies”.

Article 12

Shareholders of the Company shall have one voting power in respect of each share in his/her/its possession, except the shares shall have no voting power in the circumstances set forth in Article 157 of “Company Act”.

Article 13

Unless otherwise provided in relevant laws, resolution shall be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

Article 14

If the Company is organized by a single juristic person shareholder shall be free from restrictive requirement set out in the Article. The functional duties and power of the shareholders' meeting of the Company shall be exercised by Board of Directors.

Article 15

The proposal of ceasing the Company’s status as a public company shall be approved by a resolution made at shareholders’ meeting, and the Company shall also make an application to the competent authority. And this Article 15 shall not be altered during when the Company is listed (whether exchange-listed, OTC-listed, or registered on emerging-stock market).

Chapter 4 Directors, Audit Committee and Managerial Officers

Article 16

The Company shall have at least five but no more than nine directors to be elected at the shareholders’ meeting by the shareholders from any person with legal capacity to serve a term of three years. All of the directors are eligible for re-election.

The percentage of aggregate shareholding of all directors shall comply with the regulations prescribed by the supervisory authority of securities. The Company may take out liability insurance for all the directors with respect to liabilities resulting from the performance of duties during their terms of office. The Board of Directors has complete authority to handle relevant insurance matters.

At least three directors or one-fifth of all directors, whichever is higher, shall be the independent directors. A candidates nomination system is adopted by the Company when electing independent directors. At the shareholders’ meeting, the shareholders shall elect the directors

from among the nominees listed in the roster of independent director candidates. The terms, the qualification, the limitations of shareholding and concurrently serving other positions, the methods of nomination and election and other related matters of independent directors shall be subject to relevant laws.

Article 16-1

Audit committee of the Company shall be established base on Article 14-4 of “Securities and Exchange Act”. The audit committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be committee convener, and at least one of whom shall have accounting or financial expertise. The audit committee or the members of audit committee shall exercise all powers conferred by “Company Act”, “Securities and Exchange Act” and any other law to be exercised by supervisors.

Article 17

President of the Board of Directors shall be elected by majority of directors present at a meeting attended by more than two thirds of directors, and may elect a Vice President in the same manner. The President shall be the externally representative of the Company.

Article 18

Meetings of the Board of Directors shall be convened by the President unless specified otherwise by “Company Act”. Also, unless otherwise provided for “Company Act”, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors.

Article 19

Meeting of Board of Directors shall be convened at least quarterly. When calling a meeting of the Board of Directors, a notice setting forth therein the subjects to be discussed at the meeting shall be given to each director no later than 7 days prior to the scheduled meeting date. However, in the case of emergency, the meeting may be convened at any time. The President of the Board of Directors shall preside over all meetings of the Board of Directors. In case the President is on leave or absent or unable to exercise his/her power and authority for any cause, the situation shall be handled in accordance with Article 208 of “Company Act”. Each director shall attend the meeting of the board of directors in person. In case the director is on leave or absent, he/she may appoint another director to attend a meeting of the board of directors in his/her behalf. He/she shall, in each time, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting.

In case a meeting of the Board of Directors is processed via visual communication network, when a director taking part in such a visual communication meeting, he/she shall be deemed to have attended the meeting in person.

Article 20

Remunerations for all directors shall be paid whether the Company has profit or loss. The Board of Directors has complete authority to decide the amount of remunerations according to involvements and contributions to the operation of the Company and at the normal rate adopted by other firms of the same industry.

Article 21

A company may have one or more managerial officers. And the appointment, removal and remunerations of the managerial officers shall be subject to Article 29 of “Company Act”.

Chapter 5 Accounting

Article 22

The fiscal year for the Company shall be from January 1 of each year to December 31 of the same year. At the end of each fiscal year, the Company shall do the final accounts.

Article 23

At the end of each fiscal year, the Board of Directors shall prepare the following statements and

records and submit to a general shareholders' meeting for ratification:

1. Business report
2. Financial statements
3. Surplus earning distribution or loss off-setting proposals

Article 24

Distribution of the dividends and bonuses shall be effected in proportion to the number of shares held by each shareholder accordingly. The Company shall not distribute dividends or bonuses when there is no surplus earnings.

Article 24-1

When allocating the profit of current year (profit before tax and compensations for employees and remunerations for directors), accumulated losses shall be first covered, and then set aside no less than 0.05% of the balance as compensations for employees and no more than 5% as remunerations for directors.

Compensations for employees and remunerations for directors mentioned above shall be conducted after a resolution made by majority of directors present at a meeting attended by more than two thirds of directors and shall also be reported to the shareholders' meeting.

Compensations for employees shall be paid by either shares or cash. The employees to receive compensations shall include certain qualified employees from affiliate companies and the rules of distribution shall be made by the President.

Article 25

If the Company has earnings in a fiscal year, the Company shall, after paying all taxes, offsetting all prior losses, set aside a legal reserve at 10% of the earnings unless the accumulated amount of the legal reserve has reached the total authorized capital of the Company and set aside or reserving a special reserve according to relevant regulations when necessary. Any remaining amount after the abovementioned payments together with unappropriated retained earnings at the beginning of the fiscal year, shall set aside at least 50% as unappropriated retained earnings for shareholders. Proposal for Distribution shall be submitted to shareholders' meeting for approval Board of Directors.

Because the Company is still in its growth stage, dividend policy that the Company intends to adopt is "Balanced Dividend Policy", dividends may be paid in both cash and shares in moderation. The cash dividend distributed annually may not be less than 20% of the total dividends. However, the actual amount of profit distribution shall be determined according to the actual amount profits of the year and capital needs of the Company in the future.

Article 26

Distribution of shareholders' dividends shall be conducted according to the shareholders' roster within 5 days prior to the target date fixed by the Company for distribution of dividends and bonus.

Chapter 6 Supplementary Provisions

Article 27

Any other matters not set forth in the Article shall be dealt with in accordance with "Company Act" and other applicable laws, rules, and regulations.

Article 28

The Article was enacted on Nov. 25, 2009 and amended on Nov. 28, 2009 for the first time, on Jan 15, 2010 for the second time, on Feb. 10, 2010 for the third time, on Jun. 30, 2011 for the fourth time, on Jan. 6, 2012 for the fifth time, on Jun. 14, 2013 for the sixth time, on Jun. 13, 2016 for the seventh time, for the eighth time on Jun 13, 2017.

CHC Healthcare Group
By
Pei-Lin, Lee
President

【Appendix 2】

Rules of Procedure for Shareholders' Meetings Of CHC Healthcare Group (The “Company”)

Article 1

To establish a strong governance system and sound supervisory capabilities for shareholders' meetings of the Company, and to strengthen management capabilities, the Rule is adopted pursuant to Article 5 of “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies”.

Article 2

The rules of procedures for shareholders' meetings of the Company, except as otherwise provided by law, regulation, or “Articles of Incorporation” of the Company, shall be as provided in these Rules.

Article 3

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

The Company shall prepare electronic versions of the shareholders' meeting announcement 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, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders' meeting or before 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular 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, the 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 the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.

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, amendments to “Articles of Incorporation”, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of “Company Act”, Articles 26-1 and 43-6 of “Securities and Exchange Act”, or Articles 56-1 and 60-2 of “Regulations Governing the Offering and Issuance of Securities by Securities Issuers” shall be set out in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extraordinary motion.

A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company a written proposal for discussion at a regular shareholders' meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of “Company Act” apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda.

Prior to the book closure date before a regular shareholders' meeting is held, the Company shall publicly announce that it will receive shareholder proposals, 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 regular shareholders' meeting and take part in discussion of the proposal.

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

Article 4

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

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

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

Article 5

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

Article 6

The Company shall specify in its shareholders' meeting announcement the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

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

Shareholders and their proxies (collectively, "shareholders") shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The 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.

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

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

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

Article 7

If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the President of the Board of Directors. When the President of the Board of Directors is on leave or for any reason unable to exercise the powers of the President, he/she shall appoint one of the directors to act as chair. Where the President does not make such a designation, the directors shall select from among themselves one person to serve as chair.

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

It is advisable that shareholders' meetings convened by the Board of Directors be chaired by the President of the Board of Directors in person and attended by a majority of the directors, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

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

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

Article 8

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

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

Article 9

Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of "Company Act"; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within 1 month.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of "Company Act".

Article 10

If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the Board of Directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.

Article 11

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

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

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

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

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

Article 12

Voting at a shareholders' meeting shall be calculated based the number of shares.

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

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

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

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

Article 13

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

When the Company holds a shareholders’ meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders’ meeting announcement. 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; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

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

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

Except as otherwise provided in “Company Act” and the Company’s “Articles of Incorporation”, the approval of a proposal shall require over half of the voting rights represented by the attending shareholders. If no shareholders object after inquiries by the chair, proposals are also deemed approved.

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.

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

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

Article 14

The election of directors (including independent directors) at a shareholders’ meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors (including independent directors) and the numbers of votes with which they were elected.

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

Article 15

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

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

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of the Company.

Article 16

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

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

Article 17

Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

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

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

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

Article 18

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

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

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

Article 19

The Rule, and any amendments hereto, shall be implemented after adoption by shareholders' meetings.

【Appendix 3】

CHC Healthcare Group Shareholdings of All Directors

Title	Name	Current Shareholdings (Shares)(Note 2)
President	Princeton Healthcare Limited Representative: Pei-Lin, Lee	28,257,983
Director	Tien-Ying, Lee	8,922,985
Director	Chun-Shung, Huang	0
Director	Yen-Hsin Investment Ltd. Representative: Yung-Shun, Chuang	177,262
Independent Director	Chang-Jian, Ho	0
Independent Director	Gui-Duan, Chen	0
Independent Director	Geng-Wang, Laiw	0
Shareholdings of All Directors		37,358,230
Minimum Shareholdings Required for All Directors		8,394,817

Note 1: Total shares issued of the Company: 139,913,621 Shares.

Note 2: Book closure starting date of 2018 Annual Shareholders' Meeting: April 13, 2018