



DYNAMIC MEDICAL TECHNOLOGIES INC.

**Handbook for the
2023 Annual Meeting of Shareholders**

Date: June 15, 2023

Location: No. 631, Zhongzheng Rd., Zhonghe Dist., New Taipei City, Taiwan (R.O.C.)

(Note to Readers: If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language version shall prevail.)

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I. Meeting Procedure

1. Call the meeting to order
2. Chairperson remarks
3. Company reports
4. Proposals
5. Discussion
6. Questions and motions
7. Adjournment

II. Annual Shareholders Meeting Agenda Schedule

Convocation method: Physical meeting

Time: 9:00 AM on June 15 (Thursday) ,2023

Place: No. 631, Zhongzheng Rd., Zhonghe Dist., New Taipei City, Taiwan (R.O.C)

1. Call the meeting to Order
2. Chairperson remarks
3. Company reports
 - (1) 2022 Business Status and 2023 Business Plan.
 - (2) 2022 Audit Committee's Review Report.
 - (3) 2022 Distribution report of employee compensation and director remuneration.
 - (4) Report on 2022 Cash Dividends.
 - (5) Amendments to partial articles of the Regulations Governing the Conduct of Board Meetings.
4. Proposals
 - (1) 2022 Business Report and Financial Statements.
 - (2) 2022 Earnings Distribution Proposal.
5. Discussion
 - (1) The Company intends to issue new shares by transferring earnings to capital.
 - (2) Amendments to partial articles of the Shareholders' meeting procedure rules.
 - (3) Amendments to partial articles of the Procedure for Loading Funds to Other.
 - (4) Release the Prohibition on Directors from Participation in Competitive Business.
6. Questions and motions
7. Adjournment

III. Agenda of Annual Meeting of Shareholders

1. Call the meeting to order

(Report for attendance status of shareholdings)

2. Chairperson remarks

3. Company reports

- (1) 2022 Business Report and 2023 Business Plan: Please refer to Appendix 3 of “Annual Business Report” (P21)
- (2) 2022 Audit Committee’s Review Report: Please refer to Appendix 4 of “Audit Committee’s Review Report” (P27)
- (3) 2022 Distribution report of employee compensation and director remuneration.

Explanation:

1. The Board of Directors has approved to distribute employees' remuneration of NT\$7,573,392 and directors' remuneration of NT\$6,314,201 from the profit of 2022.
2. The above resolutions are paid in cash and are not different from the amount of expenses recognized in 2022.

- (4) Report on 2022 Cash Dividends

Explanation:

1. The earnings distribution is allocated from Earnings in 2022 Available for Distribution. Cash dividend of NT\$3.15 per share, NT\$94,500,000 as total amount.
2. The cash dividend shall be the resolution adopted by the Board of Directors. According to the Company Act and Article of Incorporation, authorized chairman will separately determine the ex-dividend base date and process related matters of cash dividend distribution. If repurchase stocks of the Company or convert or retire treasury stocks that give impacts on the outstanding shares number to make distribution rate /per stock change, the Company authorizes the chairman to adjust the distribution yield of shareholders according to the resolution for distribution amount and of actual outstanding share number in shareholders’ meeting.
3. In addition, cash dividend is counted as integer of dollar, decimal shall be deleted. The Company recognized as other revenue due to cash dividend of this time is under 1 NTD.

- (5) Amendments to partial articles of the Regulations Governing the Conduct of Board Meetings

Explanation:

1. Revised in accordance with relevant regulations and actual operational requirements
2. Please refer to Appendix 5 (P28) of the Handbook, attached comparing table.

4. Proposals

Brief 1: Adoption of the 2022 Business Report and Financial Statements. **【Proposed by the Board of Directors】**

Explanation:

1. Individual financial report and consolidated financial reports for 2022 of the Company have been certified with auditor's report by CPA Tsao-Jen Wu and Hsiao-Ling Chiang, KPMG.
2. Please refer to Appendix 3 (P21) of the Handbook, attached Business Report of the company, and please refer to Appendix 6 (P32) of the Handbook for" 2022 Auditor's report, and Financial statement.
3. Proposes to for approval.

Resolution:

Brief 2: Adoption of the Proposal for Distribution of 2022 Profits. **【Proposed by the Board of Directors】**

Explanation:

1. In accordance with the regulations of The Company Act and Article of Association.
2. Retain earning distribution of the Company for 2022 is listed as follows:

DYNAMIC MEDICAL TECHNOLOGIES INC.
PROFIT DISTRIBUTION TABLE Year 2022

Item	Unit: NT\$ Amount
Beginning retained earnings	\$ 46,252,849
Other comprehensive income, before tax, actuarial gains on defined benefit plans	495,858
Adjustment of retained earnings	46,748,707
Add: net profit after tax	132,111,307
Appropriation item:	
Less: legal reserve	(13,760,717)
Distributable net profit	170,099,297
Distributable items:	
Cash Dividend to shareholders (Note 1)	(94,500,000)
Stock Dividend to shareholders (Note 2)	(30,000,000)
Unappropriated retained earnings	45,599,297

Note 1: Cash Dividend NT\$ 3.15 per share.

Note 2: Stock Dividend NT\$ 1.00 per share.

Chairman: FU, HUI-TUNG President: WU, KUO-LONG Chief Accounting: CHIANG, CHIH-HAO

3. Proposes to for approval.

Resolution:

5. Discussions

Brief 1: The Company intends to issue new shares by transferring earnings to capital.

【Proposed by the Board of Directors】

Explanation:

1. In consideration of future business development needs.
2. The condition
 - (1) The new shares for capital increase is on the base of the current number of outstanding shares, each shareholder's actual number of stock dividends will be calculated in ex-dividend base date , 100 shares gratuitously allotted for every thousand shares.
 - (2) If the new shares distributed to shareholders from this capital increase are less than one full share (rounded down to the NT dollar), shareholders may consolidate them by handling respective procedures. For those shares which cannot be consolidated within the specified period or still remain insufficient, and the chairman shall be authorized to designate specific persons for purchase.
 - (3) After the capital increase case is approved by the shareholders meeting and submitted to the authority for approval, the shareholders' meeting is requested to authorize the Board of Directors to set an ex-dividend date for the capital increase.
 - (4) Rights and obligations of newly issued shares is the same as the original shares.
 - (5) The above-mentioned matters related to the capital increase, such as amendments due to laws and regulations or the approval of the authority, or changes in the operation evaluation due to objective environmental factors, the shareholders' meeting is requested to authorize the chairman.
 - (6) If the number of shares outstanding is affected and shareholding ratio is thus affected, the shareholders' meeting is requested to authorize the Board of Directors.

Resolution:

Brief 2: Amendments to partial articles of the Shareholders' meeting procedure rules. Please proceed to discuss. **【Proposed by the Board of Directors】**

Explanation:

1. In consideration of operating needs and complying with the Law.
2. Please refer to Appendix 7 (P48), the Handbook as a Comparison Table of Amendments to the Regulations Governing the Acquisition and Disposal of Assets.
3. Proposes to for discussion

Resolution:

Brief 3: Amendments to partial articles of the Procedure for Loading Funds to Other. Please proceed to discuss. **【Proposed by the Board of Directors】**

Explanation:

1. Complying with the Law.
2. Please refer to Appendix 8 (P60), the Handbook as a Comparison Table of Amendments to the Regulations Endorsements and Guarantees.
3. Proposes to for discussion

Resolution:

Brief 4: Release the Prohibition on Directors from Participation in Competitive Business. Please proceed to discuss **【Proposed by the Board of Directors】**

Explanation :

1. According to the regulation, the behavior belongs to the scope of business that directors conduct for his/her own or for others shall explain the major content of the behavior to shareholders' meeting and acquire the approval", Article 209, The Company.
2. Directors of the Company may invest or operate other business that is the same with the scope of business of the Company, it shall propose to be approved by the shareholders' meeting. New directors have the situations as above; the Company agrees to relpse the directors or its representative's obligation of non-competition.
3. For releasing the restriction of non-competition of directors, please refer Appendix 9(P62).
4. Propose to for discussion.

Resolution :

6. Questions and motions

7. Adjournment

IV. Appendices

Appendix 1: Rules of Procedure for Shareholders Meeting (Before the amendment of this shareholders' meeting)

Rules of Procedure for Shareholders Meetings

July 20, 2021 Revision by Annual Shareholders Meeting

Article 1: The shareholders meeting of the Company shall be in compliance with regulations of the rule unless otherwise other regulations stipulated in ordinances or Article of Association.

Article 2: 1.The shareholders' meeting shall be convened by Board of Directors unless otherwise other regulations of ordinances.

2.The Company shall upload electronic files for a notice of meeting, a form of power of attorney, causes of various proposals such as relevant approved proposal, discussion proposal, election or dismissal of director affairs etc. and relevant illustration materials on Market Observation Post System 30 days prior to an annual shareholders' meeting or 15 days prior to a special shareholder's meeting. Moreover, the Company shall make electronic files of the handbook for agenda and meeting supplementary materials for the shareholders' meeting and upload on Market Observation Post System 21 days before an annual shareholders' meeting or 15 days before special shareholders' meeting. The Company shall prepare agenda handbooks and meeting materials for shareholders' meeting 15 days before the date of meeting for satisfying the request of shareholders any time and display in the Company and agents for stock affairs, and it shall provide in the shareholders' meeting on the spot.

3.The convene cause shall be specified in the notice and announcement and the electronic form can be adopted in the case of agreement of the respondent.

4.The convene causes shall include election or dismissal of directors change of Article of Association, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, company dissolution, merger, division or every item in Paragraph 1, Article 185 of the Company Act & Paragraph 1, Article 26 and Paragraph 6, Article 43 of the Securities and Exchange Act & Paragraph 1, Article 56 and Paragraph 2, Article 60 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers rather than proposing them as extempore motions and the main content shall be explained.

5.If re-election of the Board and the date of appointment thereof are both stated clearly on the reasons for convening a shareholders' meeting, then the date of appointment shall not be changed by extempore motion or other means during the same meeting after the re-election of the Board is completed.

6.Shareholders holding over 1% of total number of outstanding shares may submit the proposal for the annual shareholders' meeting by written form, subject to one item. in the case of over one item of proposal, it shall not regard as proposal. the proposal submitted by shareholders meeting with any item in Paragraph 4, Article 172-1, The Company Act may not be listed in the proposals by Board of Directors. A shareholder proposal for urging a company to promote public interests or fulfill its social responsibilities, subject to one item in the case of over one item of proposal, it shall not regard as proposal.

7. Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.
8. 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.
9. 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 3: Shareholders shall show powers of attorney printed out by the Company at every time of shareholders' meeting and specify the limits of authority to delegate proxies for attending the shareholders' meeting.

One shareholder shall issue one power of attorney and delegate one person only, and shall deliver the power of attorney five days prior to the date of shareholders' meeting. Once powers of attorney are duplicated, the earliest one shall govern, not to subject to the case that making a statement of revocation of previous delegation. Upon arrival of powers of attorney, shareholders intend to attend in person or execute voting rights by written or electronic form, it shall send written notices. Once the revocation is overdue, the proxies delegated executing voting rights shall govern.

Article 4: The location of shareholders' meeting may be the site of the Company or the place where is convenient for shareholders' attendances, the start time of the meeting shall not earlier than 9:00 AM or later than 3:00PM, the location and time of the meeting shall take into account of the opinion of independent director fully.

Article 5: The Company shall specifies the reception of shareholders' check in time, location of checking counter and other noticeable events on the meeting notice.

The reception of checking time for shareholders shall be 30 minutes before the time of meeting and the location of checking counter shall be indicated concisely with sufficient and qualified staffs for service.

The shareholder or the proxy for the shareholder (Hereinafter referred to as "shareholders") may bring attendance certificate, attendance check in card or other attending certificates for attending the shareholders' meeting. The solicitor with proxy solicitation shall show identification certification for examination.

The Company shall set up an autograph book for attending shareholders to check in or attending shareholders shall hand in attendance card as checking in.

The Company shall hand over the agenda handbook, annual business report, attendance certificate, speech note, vote and other meeting materials to attending shareholders. For the meeting to hold the election of directors it shall attach with electoral vote.

When a shareholder is the government or legal person, its proxy to attend the shareholders' meeting is not limited one person. If the legal person attends the shareholders' meeting acting on behalf of another shareholder, it shall designate one person to attend the meeting.

Article 6: In the case that Board of Directors convenes the shareholders' meeting, the chairman shall take charge of the chairperson, if the chairman is on leave or unable to execute his/her duty due to some reasons, the vice chairman shall act on behalf of the chairman.

In the event that it has no vice chairman or the vice chairman is also on leave or unable to execute the duty due to some reasons, the chairman shall appoint one of executive director as a proxy, if it does not set up the post of executive director, the chairman may appoint one director as a proxy. On the occasion that the chairman does not appoint any proxy, it shall be elected one between executive directors or directors.

The chairperson is surrogated by the executive director or director as the preceding Paragraph, it shall adopt an executive director or director serving over 6 months and understanding the financial status of the Company. For the chairperson is the proxy for an institutional director, it shall handle the same as the foresaid.

For the shareholders' meeting convened by Board of Directors convene, it shall have over a half of attendance of directors.

In the case that other conveners other than members of Board of Directors call the shareholders' meeting, the convener shall take charge of the chairperson. If conveners are above two persons, it may elect one person as the chairperson among/between them. The Company may delegate attorneys, CPA or other relevant personnel attend the shareholders' meeting without executing voting rights.

Article 7: The Company shall perform recording and video-recording continuously for the whole process of the meeting from reception for checking in, process of the meeting in progress, process of voting and counting votes.

The audio data in the preceding Paragraph shall be preserved for one year. Unless shareholders bring an action pursuant to Article 189, it shall be preserved till the end of the suit.

Article 8: The attendance of shareholders' meeting shall be counted based on shares, and the attending number of shares may be counted according to the autograph book and attendance card combined with the execution of voting right via written or electronic from.

The chairperson shall call the meeting to order at the meeting time as schedule, and at the same time publish the number of non-voting rights and the number of shares attended and other relevant information. , while the attendance does not exceed a half of shareholders with total number of outstanding shares, the chairperson may declare to postpone the time of meeting, subject to 2 times of postponing. The total postponing time shall not surpass 1 hour. In case that the attendance does not exceed one third of shareholders with total number of outstanding shares after postponing two times, the chairperson shall declare to adjourn the meeting.

Before the end of the meeting, in the case that attending shareholders with number of shares over a half of the total number of outstanding shares, the chairperson shall submit for voting again in the shareholders' meeting for tentative resolutions according to Article 74, The Company Act.

Article 9: In the case that Board of Directors convenes the shareholders' meeting, the agenda shall be stipulated by Board of Directors. Relevant proposals (including extempore motion and the amendment to original agenda) shall be passed on a one agenda by one agenda basis. The meeting shall be conducted according to the arranged agenda and not be changed without resolution of the shareholders' meeting.

The shareholders' meeting is convened by other conveners other than Board of Directors, it shall apply the regulation of the preceding Paragraph.

The chairperson shall not declare adjournment without resolution before the end of the preceding two arranged agenda (extempore motion included). Once the chairperson violates the rule of agenda and declares the adjournment, other members of Board of Directors shall rapidly assist attending shareholders to elect one of them to take charge

of the chairperson position according to the legal procedures by over a half of attending shareholders with voting rights and then continue the meeting.

The chairperson shall provide sufficient chances of explanation and discussion toward proposals, and the revisions and extempore motions proposed by shareholders, it may declare to stop the discussion and propose to vote on the occasion that the chairperson regards it is suitable timing for voting, where appropriate voting time shall be arranged.

Article 10: Before making a statement by an attending shareholder, the shareholder shall fill in the gist of statement, account number of shareholder (or attendance number) or account name on a speech note, and the statement order may be determined by the chairperson. In case that attending shareholders do not make statements but submitting their speech notes, it is deemed to be nonexistence of the statement. Once the content of statement does not meet with the recording on the speech notes, the content of the statement shall govern.

Every shareholder makes statements for the same proposal shall not over two times, unless otherwise acquiring the agreement of the chairperson. Every statement shall not exceed 5 minutes each time, in case those shareholders making statements that violate the regulation or surpass the range of agenda, the chairperson may stop the statement.

When attending shareholders making their statements, other shareholders shall not disturb the statement unless otherwise obtaining an agreement of the chairperson.

On the occasion that someone disturbs others' statements, the chairperson shall stop it.

When institutional shareholders designate above two representatives to attend the shareholders' meeting, only person makes statement for the same proposal.

After the attending shareholders make statements, the chairperson may reply personally or appointed relevant personnel to reply.

Article 11: The voting for shareholders' meeting shall be calculated by shares.

For the resolution in the shareholders' meeting, the share number of shareholders without voting rights shall not be counted in the total number of outstanding shares. When the resolution items in the meeting may be harmful for the interest of the Company as some shareholders are interested parties, these shareholders shall not participate in voting and surrogate executing of other shareholders' voting rights.

The number of share shall not be executed voting rights in preceding Paragraph is not counted in the total votes of attending shareholders.

Except for the trust business or the agent for stock affairs approved by competent agent for securities, on the occasion that one person is surrogated by two shareholders, the proxy voting rights shall not exceed 3% of voting rights for total number of outstanding shares, it shall not count for the exceeding voting rights.

Article 12: Each share has one voting right but not subject to the restriction or shareholders without holding voting right regulated in Paragraph 2, Article 179.

Upon convening shareholders' meeting, the Company should adopt electronic form or written to execute their voting rights; the execution method shall be specified on the notice of shareholders' meeting. Shareholders who execute their voting rights via written or electronic form are regarded to be attending the shareholders' meeting in person, while the extempore motions or revision of existing proposal in the shareholders' meeting of this time are deemed to be abstained from the voting right. Thus, the Company shall evade proposing extempore motions or revision of existing proposal.

When stockholders execute their voting right by written or electronic form in the preceding paragraph, the expression of intention shall be delivered to the Company two days prior to the date of shareholders' meeting. In the event of duplicate expressions of

intention, the first delivered one shall be adopted, not subject to the statement of revocation submitted for the previous expression of intention.

After shareholders executing voting rights by written or electronic form, if shareholders intend to attend in the shareholders' meeting in person, the expression of intention on execution of voting right shall be revoked as same as execution of voting right two days prior to the date of shareholders' meeting. Once the revocation is overdue, it still executes the voting right by written or electronic form. In the case that shareholders execute voting rights by written or electronic form and surrogate proxies to attend shareholders' meeting with powers of attorney, the voting rights executed by the proxies are taking effect.

Except for other regulations in The Company Act and Article of Association for the Company, voting for proposals shall be passed the agreement by over a half of attending shareholders with voting rights. Upon voting, it may regard as passed with no objection submitted after seeking the opinion by the chairperson, the effect is the same as voting rights. Otherwise, after the chairperson or the appointed person announce the total voting rights of attending shareholders for each proposal, and then shareholders conduct voting for each proposal. Further, the Company shall disclose the situation of agreement, objection or abstention on Market Observatory Post System on the current day of shareholders' meeting held.

On the occasion that it has revision or alternative proposal, the chairperson shall determine the voting sequence together with the original proposal. Once one of proposals has been approved, the other relevant proposals are regarded as veto, unnecessary to be voted again.

Scrutineer and vote counter for voting proposals are appointed by the chairperson, subject to the scrutineers with identifications of shareholders.

The vote counting work for voting and electoral proposals in shareholders' shall be conducted in a public place and the voting result shall be declared on the Spot including statistic weight and preparing records.

Article 13: When shareholders' meeting holds elections of directors, it shall be in accordance with the election rule of the Company. The result of election shall be declared on the spot, including the name list and electoral vote count for elected directors.

The foresaid electoral votes for the election event shall be reserved and sealed properly with the signature of ballot examiner for at least one year of preservation. In case that a shareholder prosecutes an action according to Article 189, The Company Act, it shall be preserved till the end of the suit.

Article 14: The resolution items in shareholders' meeting shall be produced to be the proceeding, with signature or seal of the chairperson and distribute to each shareholder within 20 days after the meeting. The preparation and distribution of the proceeding may be made in electronic form.

The distribution of the aforementioned proceeding may be announced through Market Observatory Post System.

The holding date/month/year, location, the name of the chairperson, resolution method, overview of agenda process and the results of voting (including the statistical tallies of the numbers of votes), tallies of the numbers of votes for each candidate of director if an election is held shall be record on the proceeding and reserved permanently during the period of existence of the Company.

Article 15: For the number of shares solicited by solicitors and the number of shares surrogated by proxies, the Company shall prepare statistic tables by regulated format and disclose concisely the tables at the venue on the opening date of shareholders' meeting.

In the case that the resolution items in shareholders' meeting are in line with the regulation of relevant ordinances and the significant message regulated by Taiwan Stock Exchange Corporation or Taipei Exchange, the Company shall upload the content on Market Observatory Post System.

Article 16: Staff for serving shareholders' meeting shall wear identification card or arm-badge. The chairperson shall direct picketers or security guards for assisting to maintain the order of venue. Picketers and security guards shall wear the arm-badge or identification card printed with the word of "Picketer".

On the occasion that audio amplifiers are equipped on venue, when a shareholder makes a statement through the equipment that is not allocated by the Company, the chairperson shall stop it.

When shareholders violate the rule of agenda without obeying the correction of the chairperson, where impeding the process of the meeting and ignoring the stopping instruction, the chairperson may direct the picketer or security guard to communicate with the shareholder to leave the venue.

Article 17: Chairperson may announce to take a break under processing of the meeting. In the event of any force majeure incurring, chairperson may rule to suspend the meeting and announce the time to continue the meeting depends on situations.

When the location of the meeting cannot be used before the end of the proceeding (including the stage of questions and motions) on the agenda arranged in the shareholders' meeting.

Shareholders may resolve to postpone or continue the meeting within coming 5 days.

Article 18: The Rule is implemented upon the resolution of shareholders' meeting and handling method is the same as in the case of revision on articles.

Appendix 2: Article of Incorporation

Article of Incorporation of DYNAMIC MEDICAL TECHNOLOGIES INC.

Revised by Annual shareholders' meeting on June 17, 2022

Chapter 1 General Principles

Article 1: The Company is named as DYNAMIC MEDICAL TECHNOLOGIES INC, which is organized in accordance with the regulation of company limited by share in The Company Act.

Article 2: Business items of the Company are shown as follows.

1. F113030 Wholesale of Precision Instruments
2. F108040 Wholesale of Cosmetics
3. F208040 Retail Sale of Cosmetics
4. F108031 Wholesale of Drugs, Medical Goods
5. F208031 Retail sale of Medical Equipment
6. F113990 Wholesale of Other Machinery and Equipment
7. F213990 Retail Sale of Other Machinery and Equipment
8. JE01010 Rental and Leasing Business
9. I102010 Investment Consultancy.
- 10.I103060 Management Consulting Services
- 11.I199990 Other Consultancy
- 12.F102170 Wholesale of Food and Grocery
- 13.F203010 Retail sale of Food and Grocery.
- 14.F110020 Wholesale of Spectacles
- 15.F210020 Retail Sale of Spectacles
- 16.F113020 Wholesale of Household Appliance
- 17.F213010 Retail Sale of Household Appliance
- 18.F213040 Retail Sale of Precision Instruments
- 19.F113060 Wholesale of Metrological Instruments
- 20.F213050 Retail Sale of Metrological Instruments
- 21.F401010 International Trade
- 22.E601020 Electric Appliance Installation
- 23.E604010 Machinery Installation Construction
- 24.EZ05010 Apparatus Installation Construction
- 25.JA02990 Other Repair Shops
- 26.F108021 Wholesale of Drugs and Medicines
- 27.F208021 Retail Sale of Drugs and Medicines
- 28.F113010 Wholesale of Machinery.

29.F113050	Wholesale of Computing and Business Machinery Equipment
30.I301010	Software Design Services
31.I301020	Data Processing Services
32.I301030	Digital Information Supply Services
33.I401010	General Advertising Services
34.I501010	Product Designing
35.I503010	Landscape and Interior Designing
36.IZ13010	Internet Identify Services
37.JD01010	Industry and Commerce Credit Bureau Services
38.F107200	Wholesale of Chemistry Raw Material
39.F207200	Retail sale of Chemistry Raw Material
40.F109070	Wholesale of Stationery Articles, Musical Instruments and Educational Entertainment Articles
41.F209060	Retail sale of Stationery Articles, Musical Instruments and Educational Entertainment Articles
42.F401021	Restrained Telecom Radio Frequency Equipments and Materials Import
43.F116010	Wholesale of Photographic Equipment
44.F216010	Retail Sale of Photographic Equipment
45.F213030	Retail sale of Computing and Business Machinery Equipment
46.E605010	Computing Equipments Installation Construction
47.F113070	Wholesale of Telecom Instruments
48.F213060	Retail Sale of Telecom Instruments
49.F118010	Wholesale of Computer Software
50.F218010	Retail Sale of Computer Software
51.ZZ99999	All business items that are not prohibited or restricted by law, except those that are subject to special approval

Article 3: The Company shall make an external guarantee due to need of business.

Article 4: When the Company is the shareholders with limited liability for other companies, the total investment amount shall not subject to the restriction of 40% of paid-in capital according to Article 13, and The Company Act.

Article 5: The headquarters of the Company is situated in New Taipei City and it may set up subsidiary companies, retail sales, business office or other modes of branch at home and abroad through the resolution of Directors' meeting if necessary.

Chapter 2 Share

Article 6: The total capital of the Company is 500 million NTD, divided into 50 million shares with per vale of 10 NTD, it authorizes Board of Directors to issue the share separately depends on the necessity of business.

When the Company issues employee stock warrants, new restricted employee shares,

new shares for employees to acquire or repurchases shares and transfers to its employees in accordance with the law, employees entitled to receive share subscription warrant or shares, include the employees of parents or subsidiaries of the company meeting certain specific requirements.

Article 7: Unless otherwise specified that unable to print out in physical form, it shall conduct with registered form and issue after directors' acting on behalf of the company signatures or seals. The Company shall combine together to print out shares for the total issuance number for the time upon issuing new stock or may be exempted from printing out of shares, but it shall be preserved or registered through the centralized securities depository enterprise.

Article 8: In case of change of record on Shareholders List, subject to be unable to conduct within 60 days prior to the date of annual shareholders' meeting, 30 days prior to the special shareholders' meeting or 5 days before the base date of determining distribution of stock dividend, bonus and other interests. Any other stock affairs, it shall handle according to "Criteria Governing Handling of Stock Affairs by Public Stock Companies".

Article 8-1: The issuer of the Company for subscription price is not subject to the regulation of employee stock option, Article 53 of "Criteria Governing the Offering and Issuance of Securities by Issuers", but it shall be approved with the attendance of over a half of shareholders with total number of outstanding shares and agreement of two-thirds of attending shareholders with voting rights. It shall be reported and handled separately within one year after the resolution in the shareholders' meeting.

Article 8-2: The Company may transfer to employees at the price lower than the average price of buyback in actual case or the subscription price lower than market value (Net Asset Value of Each Share) for employee stock option corticated, subject to over a half of attendance of shareholders with total number of outstanding shares, and agreement of over two-thirds of attending shareholders with voting rights.

Chapter 3 Stockholders' Meeting

Article 9: The Company's shareholders' meeting shall be of two types, ordinary shareholders' meeting and extraordinary shareholders' meeting. Ordinary shareholders' meeting shall be convened at least once a year, and shall be convened within six months after close of each fiscal year. Extraordinary shareholders' meeting shall be convened when necessary in accordance with the relevant laws and regulations. The notice of convening shareholders' meeting shall be made by electronic form upon the agreement of respondent of the notice of the meeting.

The shareholders' meeting of the company can be held by means of visual communication network or other methods promulgated by the central competent authority.

In case a shareholders' meeting is proceeded via visual communication network, the shareholders taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 9-1:Annual shareholders' meeting shall be convened 30 days prior to date of the meeting and 15 days prior to date of special shareholders' meeting. The date, location and cause of convening shall be informed to every shareholder and make announcement. After the respondents' agreement, the notice of convening shareholders shall be made by electronic form.

For shareholders holding under 1000 registered shares for the notice of convening in the preceding paragraph, it may be made by announcement.

Article 9-2:Shareholders holding over 1% of total number of outstanding shares may propose proposal for annual shareholders' meeting and the procedure shall be handled according to the regulation of Article 172-1, The Company Act.

The convening of regular shareholders' meeting shall be conducted according to the regulations of The Company Act.

Article 10:On the occasion that shareholders is unable to attend shareholders' meeting, a shareholder may delegate a deputy for attendance accords to the regulations of Article 177, The Company Act, and "Rules Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, Paragraph 1, Article 25-1 Securities and Exchange Act.

Article 11:Unless otherwise other restrictions or non- voting right specified in Paragraph 2, Article 179, The Company Act, every share holds one voting right for shareholders of the Company.

Article 11-1:When the Company plans to revote public offering, it shall be conducted after submitting in shareholders' meeting for resolution and no change is permissible during the public, listing or emerging period.

Article 12:Unless otherwise specified in The Company Act, for the resolution of shareholders' meeting, it shall be made by the attendance with over a half of the shareholders' attendance and the agreement of over a half of attending shareholders.

Article 13:The resolution events of shareholders' meeting shall be recorded on the proceeding and then signed or sealed by the chairperson and dispatched the proceeding to each shareholder within 20 days after the meeting. The manufacturing and distribution of the proceeding shall be made in electronic form or the dispatch of the previous meeting; it shall be performed through announcement, sign-in book for attending Shareholders and shall according to Article 183, The Company Act. The proceeding, and sign-in book and power of attorneys of acting on behalf of other director's attendance shall be kept in the Company. For shareholders holding under 1000 registered shares, it may be informed by announcement.

Chapter 4 Directors and Managers

Article 14: The Company shall set up Directors for 7-9 persons with tenure of three years and the shareholders' meeting shall elect a person with behavioral competence and reappointment may occur upon reelected. The number of directors shall reach an agreement in directors' meeting.

Article 14-1: According to Article 14-2, Securities and Exchange Act and Article 192, Company Act, the Company shall set up independent directors no lower than 2 persons and no lower than one-fifth of total number of directors. It adopts the system to be nominated by candidate and then to be elected from shareholders holding over 1% of total number of outstanding shares. The Board of Directors shall propose the list of independent directors meeting with the qualification of independent directors and propose in shareholders' meeting. Shareholders shall elect from the list of candidates of independent directors. It shall be handled according to the regulations for professional proficiency, number of shareholding, limit of concurrent post, nomination method, election method and other events in The Company Act and Securities and Exchange Act.

Article 14-2: The Company shall set up Audit Committee according to the regulation of Article 14-4, Securities and Exchange Act. The Audit Committee shall take charge of implement the duties regulated about supervisor in the regulations of The Company Act, Securities and Exchange Act and other laws.

The Audit Committee shall comprise of the whole member of independent director, no less than three persons, and one of them is the convener and one of them shall be equipped with professional proficiency of accounting or finance.

The resolution of Audit Committee shall reach an agreement that exceeds a half of whole members.

Article 15: The Board of Directors shall be organized by the Directors. One of the Directors shall be elected as the Chairman of the Board in a board meeting where two thirds or more of the Directors are present, and the consent is obtained from half or more of the Directors present. A Vice Chairman may also be elected among the Directors to assist the Chairman. Internally the Chairman of the Board acts as the chairman of shareholders' meetings and board meetings, and externally represents the Company.

Article 15-1: Directors' meeting shall be convened by informing every director and independent director seven days prior to the meeting date. In the event of emergency, it may convene at any time.

The convening of the preceding paragraph may be made at any time by written mail, facsimiles, and E-mail etc.

Article 16: Unless otherwise specified in other regulations in The Company Act or Article of Association, it shall be made a resolution by directors' meeting with over a half of directors' attendances and over a half of the agreement of attending Directors.

The proceedings of Directors' meeting shall be recorded on the proceeding of directors' meeting and then issued to every director within 20 days after the meeting. The manufacturing and distribution of the proceeding of directors' meeting shall be made in written, e-mail or facsimile form.

Article 17: In the event of asking for leave or unable to execute his/her authority, the Chairman of the Board shall designate a Director to be deputed. Directors may elect one of them in case of no designation hereof.

When holding video conference, the director may be regarded as attending in person for the case that director attending the video conference. The directors may issue a power of attorney on the occasion that it is unable to attend the directors' meeting to delegate other Director for acting on behalf of the director to attend the meeting. However, the deputy is subjected to be delegated by one person.

Article 18: Remuneration Committee shall audit salary, remuneration and transportation allowance and remuneration and authorize Board of Directors to determine them according to the participation in operating degree and value of contribution of the director based on reference of the industrial compensation level.

Article 19: The Company shall set up managers, the appointment, dismissal, and remuneration will be reached a resolution over a half of whole directors' attendance and agreement of over a half of attending directors.

Chapter 5 Accounting

Article 20: The fiscal year of The Company begins on January 1 and ends on December 31 every year.

Article 21: Board of Directors shall prepare the following financial reports: 1. Annual Business Report 2. Financial Report 3. Proposal for Appointment of Profit or Loss. The Company shall hand over these reports to Audit Committee for auditing, and passed by directors' meeting, and propose in the annual shareholders' meeting for admission.

Article 22: The Company shall make appropriations for employee bonus and remuneration to director and supervisor according to the proportion as below on the occasion of making profit in a year. It shall make appropriations not lower than 1% for employee bonus and not higher than 5% for remuneration for director. However, it shall preserve amount for cover the deficit and then make appropriations to employee bonuses and remunerations to Directors.

The employee bonus in the preceding Paragraph can be paid by stock or cash. The distributed targets shall include the employee of its affiliate meeting with the conditions stipulated by Board of Directors, including the employees of parents or subsidiaries of the company meeting certain specific requirements, while the remuneration to director in the preceding paragraph shall be only paid by cash.

The two events in preceding paragraph shall be approved as the resolution in directors'

meeting and report in the shareholders' meeting.

Article 22-1: After closing of accounts, if there are earnings, the Company shall first pay the tax, make up the losses for the preceding years and then set aside a legal reserve of 10% of the net profit, where such legal reserve amounts to the total paid-in capital, this provision shall not apply, and it may make a provision or reverse to special reserve for the surplus in accordance with operational needs or laws or regulations from competent agencies. In the event of undistributed earnings of current year, it shall combine with accumulated undistributed earnings to apply for formulating earning distribution proposal to Board of Directors and propose it in the shareholders' meeting for distribution of dividends to shareholders.

The dividend policy of The Company shall conform to the development plans currently and in the future, and consider the investment environment, capital demand and domestic and international competitive conditions in addition to considering of stockholders' interest. The Company shall make an appropriation of not lower than 20% of distributable earnings cumulated each year as dividend bonus for shareholders; it may adopt cash or stock for distribution of dividends to shareholders, and the cash dividend is subjected to not lower than 20% of stock dividends. Unless otherwise it has significant capital expenditure plan in the future, the Company may distribute stock dividend after obtaining the agreement of shareholders' meeting.

Chapter 6 Supplementary Articles

Article 23: For the events not stipulated in The Article, it complies with the regulations of The Company Act.

Article 24: The Article of Association has stipulated since September 18, 1993.

- 1st Revision on February 3, 2004
- 2nd Revision on June 21, 2004
- 3rd Revision on July 16, 2004
- 4th Revision on November 9, 2004
- 5th Revision on May 10, 2005
- 6th Revision on June 5, 2006
- 7th Revision on June 11, 1998
- 8th Revision on June 10, 2009
- 9th Revision on November 2, 2009
- 10th Revision on December 9, 2010
- 11th Revision on May 2, 2011
- 12th Revision on June 15, 2012
- 13th Revision on June 18, 2014
- 14th Revision on June 7, 2016
- 15th Revision on June 14, 2018
- 16th Revision on June 12, 2019
- 17th Revision on June 16, 2020
- 18th Revision on June 17, 2022

Appendix 3: Annual Business Report

Business Report

The outbreak of Covid-19 pandemic in early 2020 has affected the global aesthetics market a lot. Fortunately, the Asia-Pacific(APAC) region has gradually recovered since the third quarter of 2021. According to Medical Insight's 2022 APAC Aesthetic Market Study, total Asia-Pacific sales of all aesthetic products reached nearly \$2.7 billion in 2020 and are expected to increase by 16.4% annual growth rate from 2021 to 2025. Aesthetic medical treatment is more accepted among the younger generation in the last decade. The overall growth of APAC aesthetic market is robust. Thanks to the popularity and transparency of aesthetic medical information, consumer awareness is rising, and the consumer is no longer pursuing a low-cost treatment. "Safety" and "Efficacy" are more valued and in line with the core spirit of the Company which insists to only adhere to the most competitive and safe high-standard medical products in the international market.

In recent years, with the increasing usage of the internet and social media across all age groups, aesthetics medicine information has become more prevalent and transparent. This has attracted more people to undergo aesthetic medicine treatments. Consumers no longer blindly pursue low-priced treatments; instead, "safety" and "effectiveness" are given more weight. The latest technological products that meet market demand are favored by Taiwanese consumers. The company adheres to its consistent core values and insists on representing competitive and safe high-standard medical products in the international market.

The collagen stimulator "AestheFill" represented by the Company has received numerous positive testimonials since its launch in the second quarter of 2020, and its sales performance has continued to grow.

The company launched "Neuronox" cosmetic neurotoxin in the first quarter of 2022. "Neuronox" is manufactured by a leading and listed biotech Korean company, Medytox Inc. and was voted by Korean doctors as the most popular cosmetic neurotoxin brand. Furthermore it is endorsed by popular Korean actress Son Ye Jin. With advantages of celebrity endorsements and high cost-effectiveness, the performance of Neuronox in the second half of year 2022 was outstanding, and it successfully boosted the sales volume of Neuramis Volume Lidocaine, a hyaluronic acid filler, also manufactured by Medytox Inc

Looking forward to 2023, the Company will continue developing new competitive product lines and expanding its business scope.

The following is a report on the Company's 2022 operating results and 2023 business plan:

1. Report on the 2022 Operating Results

(1) Achievements of business plan implementation:

A. Dynamic Medical's Consolidated Statements of Comprehensive Income

Unit: NT\$ Thousand

Item	2022	2021	Increase / Decrease Ratio
Operating Revenue	1,291,692	1,028,183	26%
Gross Profit	452,530	354,582	28%
Operating Expense	294,200	194,164	52%
Profit from Operations	158,330	160,418	-1%
Non-Operating Income and Expenses	19,832	13,403	48%
Pre-tax Income	178,162	173,821	2%
Income Tax	38,301	32,132	19%
Net Income	139,861	141,689	-1%
Other comprehensive income (loss) for the year	77,477	-25,111	-409%
Total Comprehensive Income for the year	217,338	116,578	86%
Net Income for the year attributable to Parent company	137,111	123,206	11%
Total Comprehensive Income for the year attributable to Parent company	214,905	98,112	119%
Basic EPS	4.57	4.11	11%

- (a) Operating Revenues and Gross Profit increased comparing to 2021 mainly due to the growth of aesthetic medicine devices and consumables, life beauty products and treatment services.
- (b) Profit from operations decreased comparing to 2021 mainly because of the increase in operating expenses cause by the increase in marketing expenses for aesthetic medicine consumables and the expansion of the number of lifestyle and beauty channels compared to last year.
- (c) Non-operating income and expenses increased comparing to 2021 mainly due to the increase in unrealized foreign exchange gains on U.S. dollar assets and interest income compared to last year
- (d) Other comprehensive loss for the year increased comparing to 2021 mainly due to the unrealized appreciation from investments in equity instruments measured at fair value increased.

B. Dynamic Medical's Individual Statements of Comprehensive Income

Unit: NT\$ Thousand

Item	2022	2021	Increase / Decrease Ratio
Operating Revenue	995,855	764,638	30%
Gross Profit	330,208	248,630	33%
Operating Expense	185,732	128,460	45%
Profit from Operations	144,476	120,170	20%
Non-Operating Income and Expenses	24,128	31,232	-23%
Pre-tax Income	168,604	151,402	11%
Income Tax	31,493	28,196	12%
Net Income	137,111	123,206	11%
Other comprehensive income (loss) for the year	77,573	-25,094	-409%
Total Comprehensive Income for the year	214,684	98,112	119%
Basic EPS	4.57	4.11	11%

- (a) Operating revenue, operating expense and profit from operations increased comparing to 2021 mainly due to the growth of aesthetic medicine devices and consumables.
- (b) Non-Operating Income and Expenses decreased comparing to 2021 mainly because of the decrease in profit of associates using equity method.
- (c) Other comprehensive profit and loss increased compared to 2021 mainly due to the investment in equity instruments measured by fair value has increased the evaluation benefits.

C. Implementation Status of Budget: Not applicable as the Company did not prepare financial forecasting.

(2) Financial Receipts and Expenditures

A. Dynamic Medical's Consolidated Statements of Cash Flow:

Unit: NT\$ Thousand

Item	2022	Explanation
Cash at the Beginning of the year	813,371	The balance of closing account in 2021
Net cash generated from operating activities	276,929	Primarily comes from the increase of operating income.
Net cash used in investing activities	-251,283	Primarily comes from the dispose of current financial assets at amortized cost and the increase of Property, plant and equipment.
Net cash used in financing activities	-186,862	Mainly comes from the distribution of cash dividend.
Change of Exchange Rate	26,971	The impact of change in exchange rate to cash and cash equivalents
Cash at the End of the year	679,126	The balance of closing account in 2022.

B. Dynamic Medical's Individual Statements of Cash Flow:

Unit: NT\$ Thousand

Item	2022	Explanation
Cash at the Beginning of the year	569,489	The balance of closing account in 2021
Net cash used in operating activities	104,606	Primarily comes from the increase of operating income.
Net cash generated from investing activities	-109,716	Primarily comes from the dispose of current financial assets at amortized cost
Net cash used in financing activities	-118,024	Mainly comes from the distribution of cash dividend.
Cash at the End of the year	446,355	The balance of closing account in 2022.

(3) Comparison of Profitability Analysis:

A. Dynamic Medical's Consolidated Profitability Analysis

Item	2022	2021	Explanation
Return on Asset (%)	5.66	6.41	Mainly because of the increase in property, plant and equipment and right-of-use assets as a result of the expansion of the number of lifestyle and beauty channels during the year.
Return on Equity (%)	9.24	9.65	Mainly because of the increase in other equity items as a result of the increase in unrealized valuation of investments in equity instruments measured at fair value during the year..
Profit Before Tax to Capital Stock (%)	59.39	57.94	Mainly due to the increased in pre-tax income as a result of the growth in operating income.
Net Profit Margin (%)	10.83	13.78	Mainly because of the decrease in after-tax net income cause by the increase of operating expense and tax expense.
Basic EPS (dollar)	4.57	4.11	Mainly due to the increased in after-tax net income of the owners of parent company as a result of increase in operating income.

B. Dynamic Medical's Individual Profitability Analysis

Item	2022	2021	Explanation
Return on Total Asset (%)	7.43	7.24	After-tax net income increased mainly due to the increase in operating revenue.
Return on Equity (%)	10.26	9.57	After-tax net income increased mainly due to the increase in operating revenue.
Profit Before Tax to Capital Stock (%)	56.20	50.47	After-tax net income increased mainly due to the increase in operating revenue.
Net Profit Margin (%)	13.77	16.11	Mainly due to the decrease in profit of associates using equity method compared to the former year
Basic EPS (dollar)	4.57	4.11	After-tax net income increased mainly due to the increase in operating revenue.

(4) Research and development status: The company is not a manufacturing industry, and has not established a professional R&D (research and develop) department. Agency distribution is responsible for expanding business areas by various business units.

2. The 2023 Business Plan

(A) Overall Operating Principles:

- a. Improvement of profit level: With abundant product portfolio, we successively introduce new products with topicality, expand the aesthetic consumables sales performance, and enhance the overall profit level.
- b. Improvement of service standards: Strengthens on-the-job training for business, maintenance technology and marketing personnel and improves customer satisfaction.
- c. Sound management system: Carries out the spirit of corporate governance and its requirements and strengthens the audit mechanism for ensuring that the implementation of internal control system of the Company and reinvested companies in order to improve the operating management of the Company.
- d. Expansion of Channel Business: With the integration of medical and related fields upstream and downstream resources through the reinvested companies to facilitate the extension of channel and expanding source of profit.

(B) Expected sales growth of main products and their basis:

The focus of the sales of the Company and the re-investment company in 2023 will be as follows:

- a. Diversified facial injectables to satisfy comprehensive demands of aesthetic medicine market

The cosmetic neurotoxin, Neuronox, distributed by the Company was launched in the first quarter of 2022 and achieved outstanding sales performance. This trend will continue in 2023. Furthermore, we expect it will boost the sales volume of its sister brand , Neuramis Volume Lidocaine, a hyaluronic acid filler.

The Company continues making great effort to promote its facial injectable lines, including the collagen stimulator “AestheFill”, particle form Hyaluronic Acid filler “Hya-Dermis” and gel form Hyaluronic Acid filler “Animers”.

Through the diversified facial injectables, the Company is able to meet the demands of the clients and enhance the overall sales performances of its aesthetic consumable lines.

- b. Launching the new generation cryoadipolysis device, “Cooltech Define”

The Company plans to launch “Cooltech Define” from Spain in the first half of 2023. With the unique 360⁰ cooling coverage technology, Cooltech Define can effectively trigger apoptosis of fat cells. Cooltech Define equipped with 9 different sized applicators to meet the needs of various body areas and treatment angles. In additions, it is the only cryoadipolysis device in the market which allows four applicators to be used simultaneously, significantly improving treatment efficiency.

c. The development of re-investment company

The re-investment company of CYJ International Taiwan Inc., which markets a revolutionary hair growth product, "DR CYJ" and scalp treatment services in online platforms and 25 physical channels. The product has gained enormous success in the hair growth market and significantly boosted its revenues. To provide diverse choices for consumers in their pursuit for beauty, the Company has extended treatments and products to skincare, face wash, and hair styling products. To make facial and body treatments more comprehensive and to provide superior services to consumers, the Company has also introduced the 10th generation beauty device from the high-end French brand, LPG, and is scheduled to introduce the high-end Hydra Facial beauty device to its physical channels.

(C) Important Policies of Production and Marketing.

a. To target aesthetic medicine product in the market.

As the market leader, the Company will continue to develop and introduce products that meet the latest and safe aesthetic medicine trends. The Company will also provide skin and body shaping aesthetic medicine products to achieve the goal of leading the pharmaceutical market in Asia.

b. Complete aesthetic medicine consumable line

Four star products segmentations in aesthetic medicine market are Energy-based Aesthetic Devices, Body Shaping, Skin Tightening, and Facial Injectables, and Cosmetic Neurotoxin. The Company maintains a stable growth in "Energy-Based aesthetic devices" and "Body shaping and skin tightening" while continuing to expand products of "Cosmetic Neurotoxin" and "Facial Injectables" to cooperate with customers and serve consumers on the needs pursuing beauty. Meanwhile, our diversified products also enhanced the dependency of the Company to customers.

c. One-stop beauty treatment

The re-investment companies actively develop e-commerce channels , selling scalp and skin beauty products through a lively and diverse marketing strategy that is close to consumers. Simultaneously, to provide customers with a variety of "beautiful" services from head to toe, the company will actively develop Excelsior Beauty and the "DR CYJ" physical channels to provide customers with a one-stop "beautiful" enjoyment.

Looking forward to the future, the company will continue to move towards the fields of aesthetic medicine and biotechnology, so that the beautiful, as well as healthy seeds will be intensely cultivated in the Asian aesthetic medicine market, to achieve the goal of "glorious Asia, global vision."

Chairman of the Board of Directors: FU, HUI-TUNG

General Manager: WU, KUO-LONG

Accounting Manager: CHIANG, CHIH-HAO

Appendix 4: Audit Committee's Review Report

DYNAMIC MEDICAL TECHNOLOGIES INC.

Audit Committee's Review Report

We have examined the 2022 financial reports together with business report and earnings distribution proposal prepared by Board of Directors and audited and certified by KPMG and issued with auditor's reports.

The above business report, financial report and earnings distribution proposal have been audited by Audit Committee, and we did not find any discrepancy. We hereby produce this report in accordance with provisions specified in Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act and hereinafter submit it for your review.

To

2023 Annual Shareholders' Meeting
DYNAMIC MEDICAL TECHNOLOGIES INC.

Convener of Audit Committee: SHIH MEI-HUI

March 16, 2023

Appendix 5: Comparing table of Amendments to partial articles of the Regulations Governing the Conduct of Board Meetings

December 22, 2022 and March 16, 2023 the Board of Directors

After Amendment	Before Amendment	Reason for amendment
<p>Article 2</p> <p>The board of directors shall meet at least quarterly. A notice of the reasons for convening a board meeting shall be given to each director and supervisor before 7 days before the meeting is convened. In emergency circumstances, however, a board meeting may be called on shorter notice.</p> <p>The notice to be given under the preceding paragraph may be affected by means of electronic transmission with the prior consent of the recipients.</p> <p>All matters set forth under Article 15, paragraph 1 of these Rules shall be specified in the notice of the reasons for convening a board meeting. None of those matters may be raised by an extraordinary motion except in the case of an emergency or for other legitimate reason.</p>	<p>Article 2</p> <p>The board of directors shall meet at least quarterly. A notice of the reasons for convening a board meeting shall be given to each director and supervisor before 7 days before the meeting is convened. In emergency circumstances, however, a board meeting may be called on shorter notice.</p> <p>The notice to be given under the preceding paragraph may be affected by means of electronic transmission with the prior consent of the recipients.</p> <p>Except in cases of sudden emergency or for justifiable reasons, all matters set forth under Article 15, paragraph 1 of these Rules shall be specified in the notice of the reasons for convening a board meeting. None of those matters may be raised by an extraordinary motion except in the case of an emergency or for other legitimate reason.</p>	<p>In light of the important matters of Article 15, paragraph 1, which relates to the operation of the Company, it should be stated in the convening matter so that the directors have sufficient information and time to evaluate the motion before making decisions. Therefore, the third exclusion provision is deleted, and it is specified that the matters in Article 15, paragraph 1, shall be listed in the cause of convocation</p>

After Amendment	Before Amendment	Reason for amendment
		and shall not be raised by an extraordinary motion.
<p>Article 12 The designated unit responsible for the board meetings of this Corporation shall be <u>the Head of Corporate Governance</u> . The unit responsible for board meetings shall draft agenda items and prepare sufficient meeting materials, and shall deliver them together with the notice of the meeting.</p> <p>A director who is of the opinion that the meeting materials provided are insufficient may request their supplementation by the unit responsible for board meetings. If a director is of the opinion that materials concerning any proposal are insufficient, the deliberation of such proposal may be postponed by a resolution of the board of directors.</p>	<p>Article 12 The designated unit responsible for the board meetings of this Corporation shall be the Accounting Division . The unit responsible for board meetings shall draft agenda items and prepare sufficient meeting materials, and shall deliver them together with the notice of the meeting.</p> <p>A director who is of the opinion that the meeting materials provided are insufficient may request their supplementation by the unit responsible for board meetings. If a director is of the opinion that materials concerning any proposal are insufficient, the deliberation of such proposal may be postponed by a resolution of the board of directors.</p>	Revised in response to the establishment of the Head of Corporate Governance
<p>Article 15 The matters listed below as they relate to this Corporation shall be raised for discussion at a board meeting:</p> <ol style="list-style-type: none"> 1. The Corporation's business plan. 2. Annual and <u>reviewed quarterly financial reports</u>. 3. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act and assessment of the effectiveness of the internal control system. 4. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of any handling procedures for material financial or business transactions, such as the acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others. 5. The offering, issuance, or private 	<p>Article 15 The matters listed below as they relate to this Corporation shall be raised for discussion at a board meeting:</p> <ol style="list-style-type: none"> 1. The Corporation's business plan. 2. Annual and semi-annual financial reports that have been audited and attested by a certified public accountant (CPA). 3. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act and assessment of the effectiveness of the internal control system. 4. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of any handling procedures for material financial or business transactions, such as the acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others. 5. The offering, issuance, or private 	Modified in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" amended by Financial Supervisory Commission Letter No. 1110133385 dated March 7, 2022

After Amendment	Before Amendment	Reason for amendment
<p>placement of equity-type securities.</p> <p>6. <u>If the board of directors does not have managing directors, the election or discharge of the chairman of the board of directors.</u></p> <p>7. The appointment or discharge of a financial, accounting, or internal audit officer.</p> <p>8. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief that is made for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.</p> <p>9. Any matter that, under Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw, must be approved by resolution at a shareholders meeting or board meeting, or any material matter as may be prescribed by the competent authority.</p> <p>The term "related party" in subparagraph 8 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means an individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NTD100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year.</p>	<p>placement of equity-type securities.</p> <p>6. The appointment or discharge of a financial, accounting, or internal audit officer.</p> <p>7.A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief that is made for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.</p> <p>8.Any matter that, under Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw, must be approved by resolution at a shareholders meeting or board meeting, or any material matter as may be prescribed by the competent authority.</p> <p>The term "related party" in subparagraph 7 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means an individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NTD100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year.</p>	
<p>Article 19</p> <p>The provisions of Article 2, paragraph 2, Articles 5 to 14, Articles 16 and Articles 18 apply, mutatis mutandis, to this Corporation's meetings of the board of managing directors; <u>the provisions of Article 2, paragraph 3 shall apply mutatis mutandis to the election or discharge of the chairman of the board of directors.</u></p>	<p>Article 19</p> <p>The provisions of Article 2, paragraph 2, Articles 5 to 14, Articles 16 and Articles 18 apply, mutatis mutandis, to this Corporation's meetings of the board of managing directors, provided that when meetings of the board of managing directors are held at regular intervals of 7</p>	<p>Modified in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of</p>

After Amendment	Before Amendment	Reason for amendment
<p>Provided that when meetings of the board of managing directors are held at regular intervals of 7 days or less, notices of such meetings may be given to each managing director before 2 days before the meeting.</p>	<p>be given to each managing director before 2 days before the meeting.</p>	<p>Public Companies" amended by Financial Supervisory Commission Letter No. 1110133385 dated March 7, 2022</p>
<p>Article 20 These Rules of Procedure shall be adopted by the approval of meeting of the board of directors and shall be reported to the shareholders meeting.</p>	<p>Article 20 These Rules of Procedure shall be adopted by the approval of meeting of the board of directors and shall be reported to the shareholders meeting. The board of directors may be authorized to adopt, by resolution, any future amendments to these Rules.</p>	<p>Revised to reflect the actual operating conditions of the company</p>

Appendix 6: 2022 Auditor’s Report, and Financial Report

Independent Auditors’ Report

To the Board of Directors of Dynamic Medical Technologies Inc.:

Opinion

We have audited the financial statements of Dynamic Medical Technologies Inc. (“the Company”), which comprise the balance sheets as of December 31, 2022 and 2021, the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Account of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment Assessment on Receivables

Please refer to Note (4)(f), Note (5) and Note (6)(d) for the "Impairment Assessment on Receivables" section of the financial statements.

Description of the key audit matter:

The allowance for expected credit losses in the financial statements is based on the default risk of accounts receivable and the rate of expected loss. The evaluation of loss allowance of receivables has been identified as a key audit matter as the evaluation of loss allowance of receivables involves critical accounting estimates, which are subject to the judgment of the management.

How the matter was addressed in our audit:

Our main audit procedures in response to the assessment of the impairment of receivables were assessing the reasonableness of the methodology and assumptions used by the management for the impairment assessment of receivables, and whether the methodology was adopted consistently testing the reasonableness of the information used by the management for assessing the impairment of receivables, reviewing the accuracy of the calculation of the allowance for receivables, and evaluating the adequacy of the Company’s disclosure for impairment of receivables.

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

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

In preparing the 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 the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

1. Identify and assess the risks of material misstatement of the 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 auditors' report to the related disclosures in the 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 financial statements, including the disclosures, and whether the 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 investment in other entities accounted for using the equity method to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

The engagement partners on the audit resulting in this independent auditors' report are Tsao-Jen Wu and Wan-Wan Lin.

KPMG

Taipei, Taiwan (Republic of China)

March 16, 2023

Notes to Readers

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

The independent auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and parent company only financial statements, the Chinese version shall prevail.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
DYNAMIC MEDICAL TECHNOLOGIES INC.

BALANCE SHEETS

DECEMBER 31, 2022 AND 2021

(AMOUNTS EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

ASSETS		2022.12.31		2021.12.31			LIABILITIES AND EQUITY		2022.12.31		2021.12.31	
		Amount	%	Amount	%				Amount	%	Amount	%
Current assets:							Current liabilities:					
1100	Cash and cash equivalents	\$ 446,355	23	569,489	33	2130	Current contract liabilities	\$ 242,128	13	215,317	12	
1136	Current financial assets at amortized cost	200,420	10	129,800	7	2171	Accounts payable	55,937	3	54,470	3	
1151	Notes receivable	101,586	5	82,555	5	2200	Other payables	109,046	6	98,488	6	
1170	Accounts receivable, net	85,171	5	41,262	2	2230	Current tax liabilities	38,774	2	9,836	1	
1300	Inventories	219,606	11	151,376	9	2250	Current provisions	8,160	-	6,415	-	
-1470	Other current assets	32,737	2	27,131	2	2280	Current lease liabilities	6,233	-	7,384	-	
		<u>1,085,875</u>	<u>56</u>	<u>1,001,613</u>	<u>58</u>	2300	Other current liabilities	<u>41,834</u>	<u>2</u>	<u>19,674</u>	<u>1</u>	
								<u>502,112</u>	<u>26</u>	<u>411,584</u>	<u>23</u>	
Non-current assets:							Non-current liabilities:					
1517	Non-current financial assets at fair value through other comprehensive income	186,168	10	117,931	7		Non-current provisions	3,264	-	2,151	-	
1550	Investments accounted for using equity method	516,907	27	448,286	26	2550	Deferred tax liabilities	16,838	1	993	-	
1600	Property, plant and equipment	38,257	2	52,634	3	2570	Non-current lease liabilities	39,229	2	45,567	3	
1755	Right-of-use assets	45,351	2	52,914	3	2580	Credit balance of investments accounted for using equity method	526	-	-	-	
1780	Intangible assets	678	-	128	-			<u>59,857</u>	<u>3</u>	<u>48,711</u>	<u>3</u>	
1840	Deferred tax assets	57,920	3	50,318	3		Total liabilities	<u>561,969</u>	<u>29</u>	<u>460,295</u>	<u>26</u>	
1900	Other non-current assets	5,506	-	6,145	-		Equity:					
1920	Guarantee deposits paid	2,852	-	5,464	-		Share capital:					
1930	Long-term notes and accounts receivable	3,694	-	5,853	-	3110	Ordinary share	300,000	16	300,000	17	
1975	Net defined benefit asset	6,487	-	3,051	-	3200	Capital surplus	627,726	32	627,726	36	
		<u>863,820</u>	<u>44</u>	<u>742,724</u>	<u>42</u>		Retained earnings:					
						3310	Legal reserve	180,554	9	168,231	10	
						3350	Unappropriated retained earnings	183,860	9	169,576	10	
						3400	Other equity	95,586	5	18,509	1	
							Total equity	<u>1,387,726</u>	<u>71</u>	<u>1,284,042</u>	<u>74</u>	
TOTAL ASSETS		<u>\$ 1,949,695</u>	<u>100</u>	<u>1,744,337</u>	<u>100</u>		TOTAL LIABILITIES AND EQUITY	<u>\$ 1,949,695</u>	<u>100</u>	<u>1,744,337</u>	<u>100</u>	

DYNAMIC MEDICAL TECHNOLOGIES INC.**STATEMENTS OF COMPREHENSIVE INCOME****FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021****(AMOUNTS EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)**

	2022		2021		
	Amount	%	Amount	%	
4000	Operating revenue	\$ 995,855	100	764,638	100
5000	Operating costs	<u>655,915</u>	<u>66</u>	<u>514,937</u>	<u>67</u>
	Gross profit from operations	339,940	34	249,701	33
5910	Less: Unrealized profit from sales	46,127	5	6,082	1
5920	Add: Realized profit from sales	<u>36,395</u>	<u>4</u>	<u>5,011</u>	<u>1</u>
		<u>330,208</u>	<u>33</u>	<u>248,630</u>	<u>33</u>
	Operating expenses:				
6100	Selling expenses	132,375	13	101,521	13
6200	Administrative expenses	56,199	5	25,668	4
6450	Impairment loss determined in accordance with IFRS 9				
		<u>(2,842)</u>	<u>-</u>	<u>1,271</u>	<u>-</u>
		<u>185,732</u>	<u>18</u>	<u>128,460</u>	<u>17</u>
	Net operating income	<u>144,476</u>	<u>15</u>	<u>120,170</u>	<u>16</u>
	Non-operating income and expenses:				
7100	Interest income	2,922	-	1,252	-
7010	Other income	3,933	-	3,213	-
7020	Other gains and losses, net	7,166	1	(1,715)	-
7050	Finance costs	(148)	-	(167)	-
7375	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	<u>10,255</u>	<u>1</u>	<u>28,649</u>	<u>4</u>
		<u>24,128</u>	<u>2</u>	<u>31,232</u>	<u>4</u>
7900	Profit before tax	168,604	17	151,402	20
7951	Less: Income tax expenses	<u>31,493</u>	<u>3</u>	<u>28,196</u>	<u>4</u>
	Profit	<u>137,111</u>	<u>14</u>	<u>123,206</u>	<u>16</u>
8300	Other comprehensive income (loss):				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Gains on remeasurements of defined benefit plans	620	-	26	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	68,237	7	(20,867)	(2)
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(112)	-	(20)	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>12,584</u>	<u>1</u>	<u>(2,293)</u>	<u>-</u>
	Items that may not be reclassified subsequently to profit or loss	<u>56,161</u>	<u>6</u>	<u>(18,568)</u>	<u>(2)</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation	26,765	3	(8,158)	(1)
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>5,353</u>	<u>1</u>	<u>(1,632)</u>	<u>-</u>
	Items that may be reclassified subsequently to profit or loss	<u>21,412</u>	<u>2</u>	<u>(6,526)</u>	<u>(1)</u>
8300	Other comprehensive income (loss), net of tax	<u>77,573</u>	<u>8</u>	<u>(25,094)</u>	<u>(3)</u>
8500	Total comprehensive income	<u>\$ 214,684</u>	<u>22</u>	<u>98,112</u>	<u>13</u>
	Earnings per share				
9750	Basic earnings per share (NT dollars)	<u>\$ 4.57</u>		<u>4.11</u>	
9850	Diluted earnings per share (NT dollars)	<u>\$ 4.55</u>		<u>4.09</u>	

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
DYNAMIC MEDICAL TECHNOLOGIES INC.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(AMOUNTS EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Share capital		Retained earnings		Exchange Differences on Translation of Foreign Financial Statements	Other equity	Total equity
	Ordinary Shares	Capital Surplus	Legal Reserve	Unappropriated Retained Earnings		Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	
Balance as January 1, 2021	300,000	627,726	156,621	162,959	(7,091)	50,715	1,290,930
Profit for the year ended December 31, 2021	-	-	-	123,206	-	-	123,206
Other comprehensive income (loss) for the year ended December 31, 2021	-	-	-	21	(6,526)	(18,589)	(25,094)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	123,227	(6,526)	18,589	98,112
Appropriation and distribution of retained earnings:							
Legal reserve appropriated	-	-	11,610	(11,610)	-	-	-
Cash dividends of ordinary share	-	-	-	(105,000)	-	-	(105,000)
Balance as December 31, 2021	300,000	627,726	168,231	169,576	(13,617)	32,126	1,284,042
Profit for the year ended December 31, 2022	-	-	-	137,111	-	-	137,111
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	496	21,412	55,665	77,573
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	138,607	21,412	55,665	214,684
Appropriation and distribution of retained earnings:							
Legal reserve appropriated	-	-	12,323	(12,323)	-	-	-
Cash dividends of ordinary share	-	-	-	(111,000)	-	-	(111,000)
Balance at December 31, 2022	\$ 300,000	627,726	180,554	183,860	(7,795)	87,791	1,387,726

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
DYNAMIC MEDICAL TECHNOLOGIES INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(AMOUNTS EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	2022	2021
Cash flows from (used in) operating activities:		
Profit before tax	\$ 168,604	151,402
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	34,164	35,275
Amortization expense	80	67
Expected credit loss	(2,842)	1,271
Interest expense	148	167
Interest income	(2,922)	(1,252)
Dividend income	(3,861)	(2,970)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	(10,255)	(28,649)
Impairment loss on non-financial assets		
Unrealized profit from sales	46,127	6,082
Realized profit from sales	(36,395)	(5,011)
Others	(69)	(263)
Total adjustments to reconcile profit	24,175	4,717
Changes in operating assets and liabilities:		
Notes receivable	(18,899)	(19,550)
Accounts receivable, net	(41,199)	58,715
Inventories	(79,974)	(54,261)
Other current assets	(5,266)	(13,402)
Net defined benefits assets	(23)	(11)
Long-term notes and accounts receivable	3,001	(2,442)
Accounts payable	1,467	31,924
Other payable	10,558	(20,362)
Provisions	2,858	(1,955)
Contract liabilities	26,811	28,929
Other current liabilities	22,160	18,945
Total adjustments	(54,331)	31,247
Cash inflow generated from operations	114,273	182,649
Interest received	2,582	1,248
Income taxes paid	(12,259)	(17,556)
Net cash flows from operating activities	104,606	166,341
Cash flows from (used in) investing activities:		
Acquisition of financial assets at amortised cost	(200,420)	(129,800)
Proceeds from disposal of financial assets at amortised cost	129,800	90,000
Acquisition of investments accounted for using equity method	(56,073)	
Acquisition of property, plant and equipment	(1,024)	(1,780)
Increase in refundable deposits	(42)	
Decrease in refundable deposits	-	3,535
Acquisition of intangible assets	(630)	-
Increase in other non-current assets	(342)	(4,399)
Dividends received	19,015	6,304
Net cash flows from (used in) investing activities	(109,716)	(36,140)
Cash flows from (used in) financing activities:		
Payment of lease liabilities	(6,876)	(7,604)
Cash dividends paid	(111,000)	(105,000)
Interest paid	(148)	(167)
Net cash flows used in financing activities	(118,024)	(112,771)
Net increase in cash and cash equivalents	(123,134)	17,430
Cash and cash equivalents at beginning of period	569,489	552,059
Cash and cash equivalents at end of period	\$ 446,355	569,489

Independent Auditors' Report

To the Board of Directors of Dynamic Medical Technologies Inc.:

Opinion

We have audited the consolidated financial statements of Dynamic Medical Technologies Inc. and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, the consolidated statement of comprehensive income, changes in equity and 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 of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Account of 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 of 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, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Impairment Assessment on Receivables

Please refer to Note (4)(g), Note (5) and Note (6)(d) for the "Impairment Assessment on Receivables" section of the consolidated financial statements.

Description of the key audit matter:

The allowance for expected credit losses in the consolidated financial statements is based on the default risk of accounts receivable and the rate of expected loss. The evaluation of loss allowance of receivables has been identified as a key audit matter as the evaluation of loss allowance of receivables involves critical accounting estimates, which are subject to the judgment of the management.

How the matter was addressed in our audit:

Our main audit procedures in response to the assessment of the impairment of receivables were assessing the reasonableness of the methodology and assumptions used by the management for the impairment assessment of receivables, and whether the methodology was adopted consistently testing the reasonableness of the information used by the management for assessing the impairment of receivables, reviewing the accuracy of the calculation of the allowance for receivables, and evaluating the adequacy of the Group's disclosure for impairment of receivables.

Other Matter

Dynamic Medical Technologies Inc. has prepared its parent company only financial statements as of and for the years ended December 31, 2022 and 2021, on which we have issued an unmodified opinion.

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 Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the 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 members of 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 the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 and 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 auditors' 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.

The engagement partners on the audit resulting in this independent auditors' report are Tsao-Jen Wu and Wan-Wan Lin.

KPMG

Taipei, Taiwan (Republic of China)
March 16, 2023

Notes to Readers

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

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
DYNAMIC MEDICAL TECHNOLOGIES INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2022 AND 2021

(AMOUNTS EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

ASSETS		2022.12.31		2021.12.31				LIABILITIES AND EQUITY		2022.12.31		2021.12.31	
		Amount	%	Amount	%					Amount	%	Amount	%
Current assets:													
1100	Cash and cash equivalents (Notes (4) and (6)(a))	\$ 679,126	25	813,371	35	2130	Current contract liabilities (Notes (4) and (6)(r))	\$ 481,076	18	375,255	16		
1136	Current financial assets at amortized cost (Notes (4) and (6)(c))	581,456	22	492,091	21	2150	Accounts payable (Notes (7))	64,041	2	61,554	3		
1151	Notes receivable (Notes (4), (6)(d) and (r))	101,804	4	82,950	4	2170	Other payables (Notes (7))	175,275	6	134,488	6		
1170	Accounts receivable, net (Notes (6)(d), (s) and (7))	81,672	3	50,589	2	2200	Current tax liabilities (Notes (4) and (6)(o))	42,966	2	13,397	1		
1210	Other receivables due from related parties (Note (7))	456	-	31	-	2230	Current provisions (Notes (4) and (6)(l))	8,160	-	6,415	-		
1300	Inventories (Note (4) and (6)(e))	246,866	9	170,233	8	2250	Current lease liabilities (Notes (4), (6)(k) and (7))	55,065	2	42,017	2		
1470	Other current assets	44,600	2	33,012	1	2280	Other current liabilities	49,336	2	24,429	1		
		<u>1,735,980</u>	<u>65</u>	<u>1,642,277</u>	<u>71</u>	2300		<u>875,919</u>	<u>32</u>	<u>657,555</u>	<u>29</u>		
Non-current assets:													
1517	Non-current financial assets at fair value through other comprehensive income (Notes (4) and (6)(b))	188,791	5	120,761	5	2550	Non-current provisions (Notes (4) and (6)(l))	3,264	-	2,151	-		
1550	Investments accounted for using equity method (Note (4) and (6)(f))	54,517	2	11,894	1	2570	Deferred tax liabilities (Notes (4) and (6)(o))	16,846	1	1,021	-		
1600	Property, plant and equipment (Note (4) and (6)(h))	213,141	8	136,013	6	2580	Non-current lease liabilities (Notes (4), (6)(k) and (7))	230,615	9	166,141	7		
1755	Right-of-use assets (Note (4) and (6)(i))	280,063	11	204,793	9	2650	Credit balance of investments accounted for using equity method (Notes (4) and (f))	526	-	-	-		
1780	Intangible assets (Note (4) and (j))	3,693	-	3,296	-			<u>251,251</u>	<u>10</u>	<u>169,313</u>	<u>7</u>		
1840	Deferred tax assets (Note (4) and (o))	60,511	2	55,201	2		Total liabilities	<u>1,127,170</u>	<u>42</u>	<u>826,868</u>	<u>36</u>		
1920	Guarantee deposits paid (Notes (4), (6)(d) and (r))	67,542	3	61,697	3								
1930	Long-term notes and accounts receivable (Notes (4) and (n))	29,252	1	16,163	1		Equity attributable to owners of parent (Notes (6)(q)):						
1975	Net defined benefit asset, non-current (Notes (4) and (8))	3,694	-	3,051	-	3110	Ordinary share	300,000	11	300,000	13		
1980	Other non-current financial assets	37,500	1	37,500	2	3200	Capital surplus	627,726	23	627,726	29		
1900	Other non-current assets	6,487	-	6,145	-	3200	Retained earnings:						
		<u>945,191</u>	<u>35</u>	<u>656,514</u>	<u>29</u>	3310	Legal reserve	180,554	7	168,231	7		
						3310	Unappropriated retained earnings	183,860	7	169,576	7		
						3350	Other equity	95,586	4	18,509	1		
						3400	Total equity attributable to owners of parent	1,387,726	52	1,284,042	56		
							Non-controlling interests (Note (6)(p))	166,275	6	187,881	8		
						36XX	Total equity	1,554,001	58	1,471,923	64		
TOTAL ASSETS		<u>\$ 2,681,171</u>	<u>100</u>	<u>2,298,791</u>	<u>100</u>		TOTAL LIABILITIES AND EQUITY	<u>\$ 2,681,171</u>	<u>100</u>	<u>2,298,791</u>	<u>100</u>		

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
DYNAMIC MEDICAL TECHNOLOGIES INC.AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(AMOUNTS EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		<u>2022</u>		<u>2021</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenue (Note (6)(r) and (7))	\$ 1,291,692	100	1,028,183	100
5000	Operating costs (Note (6)(e))	839,162	65	673,601	66
	Gross profit from operations	<u>452,530</u>	<u>35</u>	<u>354,582</u>	<u>34</u>
	Operating expenses (Note (7))				
6100	Selling expenses	237,134	18	167,227	16
6200	Administrative expenses	59,908	5	25,666	2
6450	Impairment loss determined in accordance with IFRS 9 (Note (6)(d))	<u>(2,842)</u>	<u>-</u>	<u>1,271</u>	<u>-</u>
		<u>294,200</u>	<u>23</u>	<u>194,164</u>	<u>18</u>
	Net operating income	<u>158,330</u>	<u>12</u>	<u>160,418</u>	<u>16</u>
	Non-operating income and expenses (Note (7)):				
7100	Interest income (Note (6)(t))	10,251	-	4,008	-
7010	Other income (Note (6)(t))	3,933	-	3,024	-
7020	Other gains and losses, net (Note (6)(t))	9,574	1	6,387	-
7050	Finance costs (Note (6)(t))	<u>(1,325)</u>	<u>-</u>	<u>(872)</u>	<u>-</u>
7060	Share of profit(loss) of associates and joint ventures accounted for using equity method (Note (6)(f))	<u>(2,601)</u>	<u>-</u>	<u>856</u>	<u>-</u>
	Total non-operating income and expenses	<u>19,832</u>	<u>2</u>	<u>13,403</u>	<u>1</u>
7900	Profit before tax	178,162	14	173,821	17
7950	Less: Income tax expenses (Note (6)(o))	<u>38,301</u>	<u>3</u>	<u>32,132</u>	<u>3</u>
	Profit	<u>139,861</u>	<u>11</u>	<u>141,689</u>	<u>14</u>
	Other comprehensive income (loss):				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Gains on remeasurements of defined benefit plans	620	-	26	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	68,029	5	(20,904)	(2)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>12,584</u>	<u>1</u>	<u>(2,293)</u>	<u>-</u>
	Items that may not be reclassified subsequently to profit or loss	<u>56,065</u>	<u>4</u>	<u>(18,585)</u>	<u>(2)</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation	26,765	2	(8,158)	(1)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>5,353</u>	<u>-</u>	<u>(1,632)</u>	<u>-</u>
	Items that may be reclassified subsequently to profit or loss	<u>21,412</u>	<u>2</u>	<u>(6,526)</u>	<u>(1)</u>
	Other comprehensive income (loss), net of tax	<u>77,477</u>	<u>6</u>	<u>(25,111)</u>	<u>(3)</u>
8500	Total comprehensive income	<u>\$ 217,338</u>	<u>17</u>	<u>116,578</u>	<u>11</u>
	Profit attributable to:				
8610	Owners of the parent	\$ 137,111	11	123,206	12
8620	Non-controlling interests	<u>2,750</u>	<u>-</u>	<u>18,483</u>	<u>2</u>
		<u>\$ 139,861</u>	<u>11</u>	<u>141,689</u>	<u>14</u>
	Comprehensive income attributable to:				
8710	Owners of the parent	\$ 214,684	17	98,112	9
8720	Non-controlling interests	<u>2,654</u>	<u>-</u>	<u>18,466</u>	<u>2</u>
		<u>\$ 217,338</u>	<u>17</u>	<u>116,578</u>	<u>11</u>
	Earnings per share (Note (6)(q))				
9750	Basic earnings per share (NT dollars)	<u>\$ 4.57</u>		<u>4.11</u>	
9850	Diluted earnings per share (NT dollars)	<u>\$ 4.55</u>		<u>4.09</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
DYNAMIC MEDICAL TECHNOLOGIES INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(AMOUNTS EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Share capital		Retained earnings		Other equity		Total equity Attributable to Owners of Parent	Non-controlling Interests	Total equity
	Ordinary Shares	Capital Surplus	Legal Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (losses) from financial assets Measured at Fair Value through Other Comprehensive Income			
Balance at January 1, 2021	300,000	627,726	156,621	162,959	(7,091)	50,715	1,290,930	172,267	1,463,197
Profit for the year ended December 31, 2021	-	-	-	123,206	-	-	123,206	18,483	141,689
Other comprehensive income (loss) for the year ended December 31, 2021	-	-	-	21	(6,526)	(18,589)	(25,094)	(17)	(25,111)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	123,227	(6,526)	(18,589)	98,112	18,466	116,578
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	11,610	(11,610)	-	-	-	-	-
Cash dividends on ordinary share	-	-	-	(105,000)	-	-	(105,000)	-	(105,000)
Changes in non-controlling interests	-	-	-	-	-	-	-	(2,852)	(2,852)
Balance at December 31, 2021	300,000	627,726	168,231	169,576	(13,617)	32,126	1,284,042	187,881	1,471,923
Profit for the year ended December 31, 2022	-	-	-	137,111	-	-	137,111	2,750	139,861
Other comprehensive income (loss) for the year ended December 31, 2022	-	-	-	496	21,412	55,665	77,573	(96)	77,477
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	137,607	21,412	55,665	214,684	2,654	217,338
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	12,323	(12,323)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	(111,000)	-	-	(111,000)	-	(111,000)
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	(11,294)	(11,294)
Changes in non-controlling interests	-	-	-	-	-	-	-	(12,966)	(12,966)
Balance at December 31, 2022	\$ 300,000	627,726	180,554	183,860	7,795	87,791	1,387,726	166,275	1,554,001

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
DYNAMIC MEDICAL TECHNOLOGIES INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(AMOUNTS EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	<u>2022</u>	<u>2021</u>
Cash flows from (used in) operating activities:		
Profit before tax	\$ 178,162	173,821
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	115,203	95,943
Amortization expense	203	249
Expected credit loss	(2,842)	1,271
Interest expense	1,325	872
Interest income	(10,251)	(4,008)
Dividend income	(3,861)	(2,970)
Share of (profit)loss of associates and joint ventures accounted for using equity method	2,601	(856)
Loss on disposal of property, plan and equipment	58	-
Loss (gain) on disposal of intangible assets	(58)	-
Others adjustments to reconcile profit	44	(1,645)
Total adjustments to reconcile profit	<u>102,422</u>	<u>88,856</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
(Increase) decrease notes receivable	(18,721)	(14,554)
Decrease (increase) in accounts receivable	(28,634)	9,249
(Increase) decrease in other receivable	(425)	(29)
(Increase) decrease in inventories	(102,487)	(52,459)
Increase in other current assets	(11,248)	(14,049)
Increase in net defined benefits assets	(23)	(6)
(Increase) decrease in long-term notes and accounts receivable	(13,089)	(111)
Total changes in operating assets	<u>(174,627)</u>	<u>(71,959)</u>
Changes in operating liabilities:		
Contract liabilities	105,821	68,750
Notes payable	-	(2)
Accounts payable	2,487	34,455
Other payable	40,787	(17,682)
Provisions	2,858	(2,310)
Other current liabilities	24,907	21,569
Total changes in operating liabilities	<u>176,860</u>	<u>104,780</u>
Total changes in operating assets and liabilities	<u>2,233</u>	<u>32,821</u>
Total adjustments	<u>104,655</u>	<u>121,677</u>
Cash inflow generated from operations	282,817	295,498
Interest received	9,911	4,004
Income taxes paid	(15,799)	(21,857)
Net cash flows from operating activities	<u>276,929</u>	<u>277,645</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
DYNAMIC MEDICAL TECHNOLOGIES INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(AMOUNTS EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	2022	2021
Cash flows from (used in) investing activities:		
Acquisition of financial assets at amortised cost	\$ (441,456)	(268,491)
Proceeds from disposal of financial assets at amortised cost	352,091	223,751
Acquisition of investments accounted for using equity method	(45,000)	-
Acquisition of property, plant and equipment	(114,050)	(42,277)
Increase in refundable deposits	(5,845)	2,556
Acquisition of intangible assets	(658)	(29)
Proceeds from disposal of intangible assets	116	-
Increase in other financial assets	-	(6,500)
Increase in other non-current assets	(342)	(4,399)
Dividends received	3,861	2,970
Net cash flows from (used in) investing activities	(251,283)	(148,680)
Cash flows from (used in) financing activities:		
Payment of lease liabilities	(50,277)	(39,956)
Cash dividends paid	(111,000)	(105,000)
Acquisition of ownership interests in subsidiaries	(11,294)	-
Interest paid	(1,325)	(872)
Change in non-controlling interests	(12,966)	(2,852)
Net cash flows used in financing activities	(186,862)	(148,680)
Effect of exchange rate changes on cash and cash equivalents	26,971	(8,076)
Net increase (decrease) in cash and cash equivalents	(134,245)	28,470
Cash and cash equivalents at beginning of period	813,371	784,901
Cash and cash equivalents at end of period	\$ 679,126	813,371

See accompanying notes to consolidated financial statements.

Appendix 7: Comparison Table of Amendment to the Shareholders' meeting procedure rules

December 22, 2022 the Board of Directors

Revised Version	Before Revised	Description
<p>Article 2 Unless otherwise stated by law, the Company's shareholders' meetings shall be convened by the Board of Directors.</p> <p><u>Changes to how the Company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.</u></p> <p>The Company shall prepare the shareholders' meeting notification letter, letter of proxy and the subjects of various motions, such as adoption case, discussion cases and director election or dismissal, as well as the explanation data, in electronic format and transmit them to the Market Observation Post System at least 30 days before a regular shareholders' meeting or 15 days before a special shareholders' meeting. At the same time, the shareholders' meeting agenda handbook and meeting supplementary materials shall be prepared in electronic format and transmitted to the Market Observation Post System at least 21 days prior to a regular shareholders' meeting or at least 15 days prior to a special shareholders' meeting. <u>If, however, The Company has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting.</u></p> <p>The agenda handbook and the supplementary materials for the shareholders' meeting in question shall be prepared at least 15 days prior to the shareholders' meeting for requesting by shareholders, displayed at the Company and its stock affairs service agency's place.</p> <p><u>The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:</u></p> <p><u>1.For physical shareholders meetings, to be distributed on-site at the meeting.</u></p> <p><u>2.For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.</u></p> <p><u>3.For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.</u></p> <p>The reason for convening a meeting shall be specified in the notification and announcement: If it is agreed by the counterparty, the notification can be made in electronic format. Director election or dismissal, change of the Company's Articles of Incorporation, <u>reduction of capital, application for the approval of</u></p>	<p>Article 2 Unless otherwise stated by law, the Company's shareholders' meetings shall be convened by the Board of Directors.</p> <p>The Company shall prepare the shareholders' meeting notification letter, letter of proxy and the subjects of various motions, such as adoption case, discussion cases and director election or dismissal, as well as the explanation data, in electronic format and transmit them to the Market Observation Post System at least 30 days before a regular shareholders' meeting or 15 days before a special shareholders' meeting. At the same time, the shareholders' meeting agenda handbook and meeting supplementary materials shall be prepared in electronic format and transmitted to the Market Observation Post System at least 21 days prior to a regular shareholders' meeting or at least 15 days prior to a special shareholders' meeting. The agenda handbook and the supplementary materials for the shareholders' meeting in question shall be prepared at least 15 days prior to the shareholders' meeting for requesting by shareholders, displayed at the Company and its stock affairs service agency's place, and also be distributed at the shareholders' meeting.</p> <p>The reason for convening a meeting shall be specified in the notification and announcement: If it is agreed by the counterparty, the notification can be made in electronic format. Director election or dismissal, change of the Company's Articles of Incorporation, corporate dissolution, merger, split or the matters</p>	<p>Modified with the opening of convening the virtual shareholders meeting by the Corporation law. (Financial Supervisory Commission Letter No. 1110133385 dated March 7, 2022)</p>

Revised Version	Before Revised	Description
<p><u>ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, split or the matters prescribed by Paragraph 1 of Article 185 of the Company Act; Articles 26-1 and 43-6 of the Securities and Exchange Act; and Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, shall be set out and the essential contents explained</u> in the causes for convening a meeting. Those matters shall not be put forth as extemporary motions.</p> <p><u>Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.</u></p> <p>Those shareholders who hold more than 1% of the issued shares are entitled to submit a motion to a regular shareholders' meeting. However, each of them can only submit one motion at a regular shareholders' meeting; further motions will not be listed in the agenda. Also, for any motions proposed by shareholders under any of the circumstances listed in Paragraph 4 of Article 172-1 of the Company Act, the Board of Directors may exclude them in the agenda.</p> <p><u>A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.</u></p> <p>The Company shall announce the opening of acceptance of shareholders' proposals <u>in writing or electronically</u>, and acceptance place and period before the suspension date of stock ownership transfer prior to the holding of a regular shareholders' meeting. The acceptance period shall be at least 10 days.</p> <p>Any motion proposed by shareholders shall be limited to 300 words. Those over 300 words shall not be listed in the agenda. Proposing shareholders shall attend the regular shareholders' meeting in person, or appoint others to attend on their behalf, and participate in discussion of the proposed motion.</p> <p>The Company shall notify the proposing shareholders of the handling results before the shareholders' meeting notification day, and list the motions meeting the regulations of this Article in the meeting notification. For those shareholders' motions not being listed in the agenda, the Board of Directors shall elaborate on the reason for not listing them in the agenda at the shareholders' meeting.</p>	<p>prescribed by Paragraph 1 of Article 185 of the Company Act; Articles 26-1 and 43-6 of the Securities and Exchange Act; and Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, shall be listed in the causes for convening a meeting. Those matters shall not be put forth as extemporary motions.</p> <p>Those shareholders who hold more than 1% of the issued shares are entitled to submit a motion to a regular shareholders' meeting. However, each of them can only submit one motion at a regular shareholders' meeting; further motions will not be listed in the agenda. Also, for any motions proposed by shareholders under any of the circumstances listed in Paragraph 4 of Article 172-1 of the Company Act, the Board of Directors may exclude them in the agenda.</p> <p>The Company shall announce the opening of acceptance of shareholders' proposals and acceptance place and period before the suspension date of stock ownership transfer prior to the holding of a regular shareholders' meeting. The acceptance period shall be at least 10 days.</p> <p>Any motion proposed by shareholders shall be limited to 300 words. Those over 300 words shall not be listed in the agenda. Proposing shareholders shall attend the regular shareholders' meeting in person, or appoint others to attend on their behalf, and participate in discussion of the proposed motion.</p> <p>The Company shall notify the proposing shareholders of the handling results before the shareholders' meeting notification day, and list the motions meeting the regulations of this Article in the meeting notification. For those shareholders' motions not being listed in the agenda, the Board of Directors shall elaborate on the reason for not listing them in the agenda at the shareholders' meeting.</p>	

Revised Version	Before Revised	Description
<p>Article 3</p> <p>For each shareholders' meeting, a shareholder may appoint a representative with a letter of proxy printed by the Company to attend the meeting on their behalf. The letter of proxy shall state the scope of authorization for the meeting.</p> <p>A shareholder can issue a letter of attorney and appoint one representative only. The letter of proxy shall arrive at the Company at least five days before the shareholders' meeting. In case that there is any repetition of the letter of proxy, the first one arriving at the Company shall prevail. However, it is not limited to the situation where revocation of the prior letter of proxy is declared.</p> <p>After the letter of proxy arrives at the Company, if the shareholder wishes to attend the shareholders' meeting in person <u>or to exercise voting rights by correspondence or electronically</u>, he or she shall notify the Company of the proxy revocation in writing at least two days prior to the shareholders' meeting. In case of any overdue revocation, the voting right exercised by the attending proxy shall prevail.</p> <p><u>If, after a proxy form is delivered to The Company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</u></p>	<p>Article 3</p> <p>For each shareholders' meeting, a shareholder may appoint a representative with a letter of proxy printed by the Company to attend the meeting on their behalf. The letter of proxy shall state the scope of authorization for the meeting.</p> <p>A shareholder can issue a letter of attorney and appoint one representative only. The letter of proxy shall arrive at the Company at least five days before the shareholders' meeting. In case that there is any repetition of the letter of proxy, the first one arriving at the Company shall prevail. However, it is not limited to the situation where revocation of the prior letter of proxy is declared.</p> <p>After the letter of proxy arrives at the Company, if the shareholder wishes to attend the shareholders' meeting in person, he or she shall notify the Company of the proxy revocation in writing at least two days prior to the shareholders' meeting. In case of any overdue revocation, the voting right exercised by the attending proxy shall prevail.</p>	<p>Modified with the opening of convening the virtual shareholders meeting by the Corporation law. (Financial Supervisory Commission Letter No. 1110133385 dated March 7, 2022)</p>
<p>Article 4</p> <p>The place for holding a shareholders' meeting shall be at the Company or a place convenient for shareholders to attend and suitable for holding a shareholders' meeting. The meeting time shall not be earlier than 9:00 AM or later than 3:00 PM. For the meeting place and time, independent directors' opinions shall be fully taken into account.</p> <p><u>The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.</u></p>	<p>Article 4</p> <p>The place for holding a shareholders' meeting shall be at the Company or a place convenient for shareholders to attend and suitable for holding a shareholders' meeting. The meeting time shall not be earlier than 9:00 AM or later than 3:00 PM. For the meeting place and time, independent directors' opinions shall be fully taken into account.</p>	<p>Modified with the opening of convening the virtual shareholders meeting by the Corporation law. (Financial Supervisory Commission Letter No. 1110133385 dated March 7, 2022)</p>
<p>Article 5</p> <p>The Company shall specify the shareholders, <u>solicitors and proxies (collectively "shareholders")</u> check-in time and place and other precaution matters in its meeting notification.</p> <p>The check-in time referred to in the preceding paragraph shall be at least 30 minutes before the meeting starts. A specific sign shall be setup at the check-in place, and adequate number of qualified personnel shall be dispatched for assistance. <u>For virtual shareholders meetings, shareholders may begin to register on the virtual</u></p>	<p>Article 5</p> <p>The Company shall specify the shareholder check-in time and place and other precaution matters in its meeting notification.</p> <p>The check-in time referred to in the preceding paragraph shall be at least 30 minutes before the meeting starts. A specific sign shall be setup at the check-in place, and adequate number of qualified personnel shall be dispatched for assistance.</p>	<p>Modified with the opening of convening the virtual shareholders meeting by the Corporation law. (Financial Supervisory Commission</p>

Revised Version	Before Revised	Description
<p><u>meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.</u></p> <p>Shareholders shall attend a shareholders' meeting by presenting their attendance certificate, attendance card or other attendance documents. Other than the documents required for the attendance of a shareholders' meeting, the Company shall not discretionarily request any additional documents. The shareholders who solicit letters of proxy shall bring their own ID certification documents with them for verification.</p> <p>The Company shall prepare an attendance book for the shareholders attending the meeting to sign in, or otherwise the attending shareholders may submit the attendance card instead of signing in.</p> <p>The Company shall hand the agenda handbook, annual report, attendance certificate, speech note, voting ticket and other meeting materials to the attending shareholders. In case that the meeting involves director election, the election ballot shall be additionally attached.</p> <p>For government or institutional shareholders, their meeting attending representatives are not limited to one person only. However, when an institutional shareholder is entrusted to attend a shareholders' meeting, only one representative can be appointed for attendance.</p> <p><u>In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.</u></p> <p><u>In the event of a virtual shareholders meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p>	<p>Shareholders or the proxies appointed by them (hereafter referred to as shareholders) shall attend a shareholders' meeting by presenting their attendance certificate, attendance card or other attendance documents. Other than the documents required for the attendance of a shareholders' meeting, the Company shall not discretionarily request any additional documents. The shareholders who solicit letters of proxy shall bring their own ID certification documents with them for verification.</p> <p>The Company shall prepare an attendance book for the shareholders attending the meeting to sign in, or otherwise the attending shareholders may submit the attendance card instead of signing in.</p> <p>The Company shall hand the agenda handbook, annual report, attendance certificate, speech note, voting ticket and other meeting materials to the attending shareholders. In case that the meeting involves director election, the election ballot shall be additionally attached.</p> <p>For government or institutional shareholders, their meeting attending representatives are not limited to one person only. However, when an institutional shareholder is entrusted to attend a shareholders' meeting, only one representative can be appointed for attendance.</p>	<p>Letter No. 1110133385 dated March 7, 2022)</p>
<p>Article 5-1 <u>To convene a virtual shareholders meeting, the Company shall include the follow particulars in the shareholders meeting notice:</u> <u>1.How shareholders attend the virtual meeting and exercise their rights.</u> <u>2.Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:</u> <u>(1) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.</u> <u>(2) Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.</u> <u>(3) In case of a hybrid shareholders meeting,</u></p>	<p>Addition</p>	<p>Modified with the opening of convening the virtual shareholders meeting by the Corporation law. (Financial Supervisory Commission Letter No. 1110133385 dated March 7, 2022)</p>

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<p><u>when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u></p> <p><u>(4) Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.</u></p> <p><u>3.To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.</u></p>		
<p>Article 7</p> <p>The Company shall record the entire proceedings of a shareholders' meeting, from shareholders' check-in, the check-in process and the course of the meeting, to the voting and vote counting process, in an audio and video format without any interruption.</p> <p>The preceding audio and video data shall be retained for at least one year. However, in case of any litigation filed by a shareholder in accordance with Article 189 of the Company Act, the audio or video evidence shall be kept until closure of such litigation.</p> <p><u>Where a shareholders meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.</u></p> <p><u>The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.</u></p> <p><u>In case of a virtual shareholders meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.</u></p>	<p>Article 7</p> <p>The Company shall record the entire proceedings of a shareholders' meeting, from shareholders' check-in, the check-in process and the course of the meeting, to the voting and vote counting process, in an audio and video format without any interruption.</p> <p>The preceding audio and video data shall be retained for at least one year. However, in case of any litigation filed by a shareholder in accordance with Article 189 of the Company Act, the audio or video evidence shall be kept until closure of such litigation.</p>	<p>Modified with the opening of convening the virtual shareholders meeting by the Corporation law. (Financial Supervisory Commission Letter No. 1110133385 dated March 7, 2022)</p>
<p>Article 8</p> <p>The attendance status of a shareholders' meeting shall be calculated according to the number of the shares represented by the shareholders attending the shareholders' meeting, in which the calculation shall cover the shares indicated in the attendance book or according to the attendance cards turned in by the meeting attendants, and the shares checked in on the</p>	<p>Article 8</p> <p>The attendance status of a shareholders' meeting shall be calculated according to the number of the shares represented by the shareholders attending the shareholders' meeting, in which the calculation shall cover the shares indicated in the attendance book or according to the attendance cards turned in by the meeting attendants, plus the voting shares exercised in writing or in an</p>	<p>Modified with the opening of convening the virtual shareholders meeting by the Corporation</p>

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<p><u>virtual meeting platform</u>, plus the voting shares exercised in writing or in an electronic format. When it is time for a meeting, the chairperson shall immediately call the meeting to order, and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting. However, if the number of shares held by the shareholders present at the meeting has yet to constitute a majority of the total issued shares, the chairperson may announce postponement of the meeting, but the postponement of the said meeting is limited to two times only, whereas the total postponement time shall not exceed one hour. If a meeting has been postponed for two times and the shares held by the shareholders present at the meeting are still less than one-third of the total issued shares, the chairperson may abort the meeting. <u>In the event of a virtual shareholders meeting, the Company shall also declare the meeting aborted at the virtual meeting platform.</u></p> <p>If, after preceding two times of postponement, a meeting has yet to constitute the quorum but the shareholders representing one-third of the total issued shares are present, a provisional resolution can be adopted according to Paragraph 1 of Article 175 of the Company Act, and the notice of the provisional resolution shall be served to respective shareholders for a shareholders' meeting to be convened again within one month. <u>In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 6.</u></p> <p>Before the end of the meeting in question, if the number of the shares held by the shareholders present represents a majority of the total issued shares, the chairperson may put forward the adopted provisional resolution and request re-adoption of the resolution at the meeting in accordance with Article 174 of the Company Act.</p>	<p>electronic format.</p> <p>When it is time for a meeting, the chairperson shall immediately call the meeting to order, and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting. However, if the number of shares held by the shareholders present at the meeting has yet to constitute a majority of the total issued shares, the chairperson may announce postponement of the meeting, but the postponement of the said meeting is limited to two times only, whereas the total postponement time shall not exceed one hour. If a meeting has been postponed for two times and the shares held by the shareholders present at the meeting are still less than one-third of the total issued shares, the chairperson may abort the meeting.</p> <p>If, after preceding two times of postponement, a meeting has yet to constitute the quorum but the shareholders representing one-third of the total issued shares are present, a provisional resolution can be adopted according to Paragraph 1 of Article 175 of the Company Act, and the notice of the provisional resolution shall be served to respective shareholders for a shareholders' meeting to be convened again within one month.</p> <p>Before the end of the meeting in question, if the number of the shares held by the shareholders present represents a majority of the total issued shares, the chairperson may put forward the adopted provisional resolution and request re-adoption of the resolution at the meeting in accordance with Article 174 of the Company Act.</p>	<p>law. (Financial Supervisory Commission Letter No. 1110133385 dated March 7, 2022)</p>
<p>Article 10</p> <p>Those shareholders who wish to speak in a shareholders' meeting shall first fill out a speech note stating their speech subject, their shareholder account number (or attendance card number) and their account name. The chairperson shall then decide their speech order. Those shareholders who submit a speech note but do not actually give any speech, shall be deemed not having given any speech. In the case that the speech content is not consistent with what is stated in the speech note, the speech content shall prevail.</p> <p>Unless otherwise permitted by the chairperson, a shareholder shall not speak more than two times for a same motion and each time of speech shall not exceed 5 minutes. If the speech given by any shareholder violates the aforesaid stipulation or is beyond the agenda scope, the chairperson may stop the speech.</p> <p>When a shareholder is giving a speech, other</p>	<p>Article 10</p> <p>Those shareholders who wish to speak in a shareholders' meeting shall first fill out a speech note stating their speech subject, their shareholder account number (or attendance card number) and their account name. The chairperson shall then decide their speech order. Those shareholders who submit a speech note but do not actually give any speech, shall be deemed not having given any speech. In the case that the speech content is not consistent with what is stated in the speech note, the speech content shall prevail.</p> <p>Unless otherwise permitted by the chairperson, a shareholder shall not speak more than two times for a same motion and each time of speech shall not exceed 5 minutes. If the speech given by any shareholder violates the aforesaid stipulation or is beyond the agenda scope, the chairperson may stop the speech.</p> <p>When a shareholder is giving a speech, other</p>	<p>Modified with the opening of convening the virtual shareholders meeting by the Corporation law. (Financial Supervisory Commission Letter No. 1110133385 dated March 7, 2022)</p>

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<p>shareholders shall not interrupt the speech unless otherwise obtaining the consent from the chairperson. The chairperson shall stop any violation.</p> <p>If an institutional shareholder designates two or more than two representatives to attend a shareholders' meeting, only one representative is allowed to speak for a same motion.</p> <p>After the speech of a shareholder, the chairperson may respond to it on his or her own, or designate an appropriate person to respond.</p> <p><u>Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.</u></p> <p><u>As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.</u></p>	<p>shareholders shall not interrupt the speech unless otherwise obtaining the consent from the chairperson. The chairperson shall stop any violation.</p> <p>If an institutional shareholder designates two or more than two representatives to attend a shareholders' meeting, only one representative is allowed to speak for a same motion.</p> <p>After the speech of a shareholder, the chairperson may respond to it on his or her own, or designate an appropriate person to respond.</p>	
<p>Article 12</p> <p>Each share held by a shareholder is entitled to one vote, but it is not limited to those shareholders whose voting right is restricted or the ones having no voting right as stated in Paragraph 2 of Article 179 of the Company Act.</p> <p>When holding a shareholders' meeting, <u>it shall adopt exercise of voting rights by electronic format and may adopt exercise of voting rights by written format.</u> When using the written or electronic format to exercise the voting right, the format shall be stated on the notification of the shareholders' meeting. Those shareholders who exercise their voting right in a written or electronic format shall be deemed to have attended the shareholders' meeting in person. However, for the extemporary motions and amendments to the original motions of the shareholders' meeting in question, those shareholders shall be deemed abstention in participation, <u>it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.</u></p> <p>For those that exercise their voting right with the preceding written or electronic format in a meeting, their intent expression shall arrive at the Company at least two days prior to the shareholders' meeting. When there is any repetition of the intent expression, the first one arriving at the Company shall prevail. However, it is not limited to the situation where the revocation of the prior intent expression is declared.</p> <p>For those shareholders who wish to attend a shareholders' meeting in person <u>or online</u>, after exercising their voting right in a written or electronic format, they shall revoke the</p>	<p>Article 12</p> <p>Each share held by a shareholder is entitled to one vote, but it is not limited to those shareholders whose voting right is restricted or the ones having no voting right as stated in Paragraph 2 of Article 179 of the Company Act.</p> <p>When holding a shareholders' meeting, shareholders may exercise their voting right in a written or electronic format. When using the written or electronic format to exercise the voting right, the format shall be stated on the notification of the shareholders' meeting. Those shareholders who exercise their voting right in a written or electronic format shall be deemed to have attended the shareholders' meeting in person.</p> <p>However, for the extemporary motions and amendments to the original motions of the shareholders' meeting in question, those shareholders shall be deemed abstention in participation.</p> <p>For those that exercise their voting right with the preceding written or electronic format in a meeting, their intent expression shall arrive at the Company at least two days prior to the shareholders' meeting. When there is any repetition of the intent expression, the first one arriving at the Company shall prevail. However, it is not limited to the situation where the revocation of the prior intent expression is declared.</p> <p>For those shareholders who wish to attend a shareholders' meeting in person after exercising their voting right in a written or electronic format, they shall revoke the aforesaid intent</p>	<p>Modified with the opening of convening the virtual shareholders meeting by the Corporation law. (Financial Supervisory Commission Letter No. 1110133385 dated March 7, 2022)</p>

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<p>aforesaid intent expression by using the same format as they used for exercising the voting right at least two days prior to the shareholders' meeting. In case of overdue revocation, the written or electronic format shall prevail for exercising the voting right. In the case that the written or electronic format is used to exercise the voting right while the shareholder also entrusted a representative with a letter of proxy to attend the shareholders' meeting, the voting right exercised by the attending representative shall prevail.</p> <p>Except otherwise stated in the Company Act or the Company's Articles of Incorporation, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the meeting. The resolution can also be made through shareholders' ballot casting case by case after the chairperson or his or her designated personnel announce the total voting shares entitled by the attending shareholders. Also, shareholders' consent, objection and abstention results shall be posted on the Market Observation Post System.</p> <p>For any amendment or replacement of a same motion, the chairperson shall decide the sequence of the resolutions by including the original motion. If any of the resolutions is adopted, the others shall be deemed to be vetoed and no future voting shall be required. Ballot examiners and ballot counters shall be designated by the chairperson, in which the ballot examiners shall be shareholders. Ballot calculation for a shareholders' meeting's resolution or election motion shall be publicly conducted on the site where the shareholders' meeting is held, and the voting results, including the statistical weighted voting shares, shall be announced on the spot and recorded in the meeting minutes accordingly.</p> <p><u>When the Company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.</u></p> <p><u>In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.</u></p> <p><u>When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before</u></p>	<p>expression by using the same format as they used for exercising the voting right at least two days prior to the shareholders' meeting. In case of overdue revocation, the written or electronic format shall prevail for exercising the voting right. In the case that the written or electronic format is used to exercise the voting right while the shareholder also entrusted a representative with a letter of proxy to attend the shareholders' meeting, the voting right exercised by the attending representative shall prevail.</p> <p>Except otherwise stated in the Company Act or the Company's Articles of Incorporation, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the meeting. When resolving a motion, if no objection from the shareholders present after inquired by the chairperson, the resolution shall be deemed to be adopted, and shall have the same effect as the voting made with the ballot casting method. The resolution can also be made through shareholders' ballot casting case by case after the chairperson or his or her designated personnel announce the total voting shares entitled by the attending shareholders. Also, shareholders' consent, objection and abstention results shall be posted on the Market Observation Post System.</p> <p>For any amendment or replacement of a same motion, the chairperson shall decide the sequence of the resolutions by including the original motion. If any of the resolutions is adopted, the others shall be deemed to be vetoed and no future voting shall be required. Ballot examiners and ballot counters shall be designated by the chairperson, in which the ballot examiners shall be shareholders. Ballot calculation for a shareholders' meeting's resolution or election motion shall be publicly conducted on the site where the shareholders' meeting is held, and the voting results, including the statistical weighted voting shares, shall be announced on the spot and recorded in the meeting minutes accordingly.</p>	

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<p><u>the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.</u></p> <p><u>When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.</u></p>		
<p>Article 14 All matters resolved in a shareholders' meeting shall be recorded in the meeting's minutes book, which shall be signed or sealed by the chairperson and distributed to respective shareholders within 20 days after the shareholders' meeting. The production and distribution of the meeting's minutes book may be processed in an electronic form. For distribution of the preceding meeting's minutes book, the Company may transmit the meeting's minutes book to the Market Observation Post System as the announcement method. The items including the meeting date and place, chairperson's name, resolution method, main points of the meeting proceedings and <u>their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors</u>, shall be literally recorded in the meeting minutes book, which shall be retained during the existence of the Company. <u>Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.</u> <u>When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.</u></p>	<p>Article 14 All matters resolved in a shareholders' meeting shall be recorded in the meeting's minutes book, which shall be signed or sealed by the chairperson and distributed to respective shareholders within 20 days after the shareholders' meeting. The production and distribution of the meeting's minutes book may be processed in an electronic form. For distribution of the preceding meeting's minutes book, the Company may transmit the meeting's minutes book to the Market Observation Post System as the announcement method. The items including the meeting date and place, chairperson's name, resolution method, main points of the meeting proceedings and the results, shall be literally recorded in the meeting minutes book, which shall be retained during the existence of the Company.</p>	<p>Modified with the opening of convening the virtual shareholders meeting by the Corporation law. (Financial Supervisory Commission Letter No. 1110133385 dated March 7, 2022)</p>

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<p>Article 15 <u>The Company shall prepare a statistical list for the shares solicited by solicitors and the ones represented by the entrusted proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and disclose it at the meeting site on the shareholders' meeting day. In the event a virtual shareholders meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u> <u>During the Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.</u> If the resolution adopted at a shareholders' meeting is regulated by law or stipulated by Taiwan Stock Exchange Corporation as material information, the Company shall transmit the content to Market Observation Post System within the regulated time limit.</p>	<p>Article 15 The Company shall prepare a statistical list for the shares solicited by solicitors and the ones represented by the entrusted proxies, and disclose it at the meeting site on the shareholders' meeting day.</p> <p>If the resolution adopted at a shareholders' meeting is regulated by law or stipulated by Taiwan Stock Exchange Corporation as material information, the Company shall transmit the content to Market Observation Post System within the regulated time limit.</p>	<p>Modified with the opening of convening the virtual shareholders meeting by the Corporation law. (Financial Supervisory Commission Letter No. 1110133385 dated March 7, 2022)</p>
<p>Article 18 <u>In the event of a virtual shareholders meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.</u></p>	<p>Addition</p>	<p>Modified with the opening of convening the virtual shareholders meeting by the Corporation law. (Financial Supervisory Commission Letter No. 1110133385 dated March 7, 2022)</p>
<p>Article 19 <u>When the Company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.</u></p>	<p>Addition</p>	<p>Modified with the opening of convening the virtual shareholders meeting by the Corporation law. (Financial Supervisory Commission Letter No. 1110133385 dated March 7, 2022)</p>

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<p>Article 20</p> <p><u>In the event of a virtual shareholders meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.</u></p> <p><u>In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.</u></p> <p><u>For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.</u></p> <p><u>For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the</u></p> <p><u>meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.</u></p> <p><u>During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.</u></p> <p><u>When the Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.</u></p> <p><u>Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted</u></p>	<p>Addition</p>	<p>Modified with the opening of convening the virtual shareholders meeting by the Corporation law. (Financial Supervisory Commission Letter No. 1110133385 dated March 7, 2022)</p>

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<p><u>towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u></p> <p><u>When postponing or resuming a meeting according to the second paragraph, the Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u></p> <p><u>For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.</u></p>		
<p>Article 21</p> <p><u>When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</u></p>	Addition	Modified with the opening of convening the virtual shareholders meeting by the Corporation law. (Financial Supervisory Commission Letter No. 1110133385 dated March 7, 2022)
<p><u>Article 22</u></p> <p>The Rules shall be implemented after adoption by the Board of Shareholders. The same shall apply in case of any revision.</p>	<p>Article 18</p> <p>The Rules shall be implemented after adoption by the Board of Shareholders. The same shall apply in case of any revision.</p>	Modified with the opening of convening the virtual shareholders meeting by the Corporation law. (Financial Supervisory Commission Letter No. 1110133385 dated March 7, 2022)

Appendix 8: Comparison Table of Amendments to the “Procedure for Loading Funds to Other” Before and After Revision

December 22, 2022 the Board of Directors

Revised Version	Before Revised	Description
<p>Article 3-1 Unusual objects of fund loans: 1.Accounts receivable of the Company that exceeds the normal credit period for a certain period of time (more than 3 months) and the amount of which exceeds 2% of the capital belongs to the fund lender based on the <u>Audit Committee's latest decision and its submission to the Board</u>, then resolution of the Board of Directors, unless it can be proved that <u>there is indeed no intention to lend funds (for example, the Company has taken the measures of collection, legal action or other practical and feasible management and control measures.</u></p>	<p>Article 3-1 Unusual objects of fund loans: 1.Accounts receivable of the Company that exceeds the normal credit period for a certain period of time (more than 3 months) and the amount of which exceeds 2% of the capital belongs to the fund lender based on the resolution of the Board of Directors, unless it can be proved that the Company has taken the measures of collection, legal action or other practical and feasible management and control measures.</p>	<p>Modified with the Q & A Collection of Regulations of Funds and Making of Endorsements / Gurantees By Public Companies on December, 2021.</p>
<p>Article 5 The term of each loan lent by the Company and interest rate: When complying with Article 3 Fund Loans and Objects, the following terms and interest-bearing methods shall be followed: 1.The term of each loan extended by the Company shall not exceed one (1) year or one (1) operational period from the date of loan, determined by whichever is longer, <u>and no repayment shall be made at the end of the period without an actual outflow of money or an extension of the period of repayment agreed to by the Board. However, the Company engages in the lending of funds between foreign companies in which it holds, directly and indirectly, 100% of the voting shares, or Foreign companies in which the Company directly and indirectly holds 100</u></p>	<p>Article 5 The term of each loan lent by the Company and interest rate: When complying with Article 3 Fund Loans and Objects, the following terms and interest-bearing methods shall be followed: 1.The term of each loan extended by the Company shall not exceed one (1) year or one (1) operational period from the date of loan, determined by whichever is longer. 2. The interest rate shall not be lower than the Company's average short-term bank borrowing rate at the time of lending. The interests shall be calculated on a monthly basis. Only under the circumstances that parent company and subsidiary have need for loans, its term and interest rate shall be adjusted accordingly.</p>	<p>Modified with the Q & A Collection of Regulations of Funds and Making of Endorsements / Gurantees By Public Companies on December, 2021.</p>

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<p><u>percent of the voting shares are engaged in lending funds to the Company, its extensions of short-term funding may be granted. If an extension of the loan is approved by the Board prior to the expiry date, there shall be no requirement for actual monetary flow but repayment shall continue to be made on an actual monetary flow basis at the end of the extension period.</u></p> <p>2. The interest rate shall not be lower than the Company's average short-term bank borrowing rate at the time of lending. The interests shall be calculated on a monthly basis. Only under the circumstances that parent company and subsidiary have need for loans, its term and interest rate shall be adjusted accordingly.</p>		

Appendix 9: The Prohibition on Directors from Participation in Competitive Business

Director name	The release participation in items and position
Fu Jo-Hsuan	General Manager of Nephrocare Limited, Taiwan Branch (H. K.) General Manager of Cardinal Medical Services Ltd., Taiwan Branch (B.V.I.)
Chang Ming-Cheng	Director of Nephrocare Limited, Taiwan Branch (H. K.) Director of Cardinal Medical Services Ltd., Taiwan Branch (B.V.I.) Director of Medifly Co., Ltd.

Appendix 10: Effects of Stock Grants on the Company's Operating Results, Earnings per Share and Shareholders' Return on Investment

Items		2023 (Estimated)
Beginning Paid-in Capital		\$300,000,000
Allotment of shares and dividends of the year	Cash dividends per share	\$3.15
	Number of allotted shares per share for capitalization of earnings	0.10 share
	Number of allotted shares per share for capital surplus	0 share
Changes in operating performance	Operating income	Note
	Operating income increased (decreased) over the same period last year	
	Net income after tax	
	Net income after tax increased (decreased) over the same period last year	
	Earning per share	
	Earning per share increased (decreased) over the same period last year	
	Average annual return on investment (inverse of annual price to earning)	
Pro forma Earning per share and Price to Earning Ratio	If all of the capital surplus is transferred to cash dividends	Pro forma EPS
		Pro forma average annual ROI
	If the Additional Paid-In Capital has not been increased	Pro forma EPS
		Pro forma average annual ROI
	If the Additional Paid-In Capital has not been increase, and the capital surplus is transferred to cash dividends	Pro forma EPS
		Pro forma average annual ROI

Note: The company has not announced the financial forecasting and is therefore not required to disclose the estimated information for 2023.

Appendix 11: The Shareholdings situation of Directors

1. Paid-in Capital of the Company is NTD 300,000,000, with total number of outstanding shares: 30,000,000 shares.
2. According to Article 26, Securities & Exchange Act and Article 2, Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the minimum shareholding number shall be 4,500,000 shares
3. As the Company set up audit committee, it has no regulatory shareholding number application for supervisors.
4. Independent directors' shareholding number is not counted in the regulatory shareholding number of whole directors and shareholding percentage for ratio calculation will be lower to 80%.
5. Shareholding numbers of individual directors and whole directors recorded on the shareholder list on April 17, 2023 as a book closure date of annual shareholders' meeting for this time are listed as follows:

Position	Name	Date Elected	Share hold While Elected		Book Closure Date, up to April 17 ,2023	
			Number of Share	Shareholding Ratio	Number of Share	Shareholding Ratio
Chairman	Fu Hui-Tung	2021.07.20	0	0	0	0
Director	Wang Ming-Ting	2021.07.20	0	0	0	0
Director	Fu Jo-Hsuan	2021.07.20	0	0	0	0
Director	Excelsior Medical Co., Ltd: legal representative : Chang Ming-Cheng Huang Chieh-Ching Hsuen Fu-Chuan	2021.07.20	11,550,425	38.50%	11,550,425	38.50%
Independent Director	Shih Mei-Hui	2021.07.20	0	0	0	0
Independent Director	Yang Yu-Ming	2021.07.20	0	0	0	0
Independent Director	Liao Yi-Hsing	2021.07.20	0	0	0	0
Total shares held by whole directors of the Company.			11,550,425	38.50%	11,550,425	38.50%