

**Stock Code: 1788**



**Hi-Clearance Inc.**

**2025 Annual Shareholders'  
Meeting**

**Meeting Handbook**

**Method of Convening:  
Physical Shareholders Meeting**

**Website: <https://mops.twse.com.tw>**

**May 26, 2025**

# Hi-Clearance Inc.

## Handbook for the 2025 Annual Shareholders' Meeting

Contents	page
Chapter 1. Meeting Procedure .....	1
Chapter 2. Meeting Agenda .....	2
I. Management Presentation.....	3
II. Proposals .....	5
III. Discussions .....	6
IV. Election Matters .....	7
V. Other Proposals.....	8
VI. Extempore Motions.....	8
Chapter 3. Attachments	
Attachment 1. Attached Business Report .....	9
Attachment 2. Audit Committee's Review Report .....	13
Attachment 3. Details of Directors' Compensation for 2024....	14
Attachment 4. 2024 Independent Auditors' Report and Financial Statements .....	15
Attachment 5. Comparison Table of Amended Articles of Incorporation .....	31
Chapter 4. Appendices	
Appendix 1. Articles of Incorporation .....	32
Appendix 2. Rules of Procedure for Shareholders' Meetings....	38
Appendix 3. Regulations for Board of Directors Elections .....	45
Appendix 4. Announcement of Candidates for Directors (Including Independent Directors) .....	48
Appendix 5. Current Shareholding of Directors .....	53

# **Hi-Clearance Inc.**

## **Procedure for the 2025 Annual Shareholders' Meeting**

- I. Call the Meeting to Order
- II. Chairperson's Remarks
- III. Management Presentation
- IV. Proposals
- V. Discussions
- VI. Election Matters
- VII. Other Proposals
- VIII. Extempore Motions
- IX. Adjournment

# **Hi-Clearance Inc.**

## **Agenda for 2025 Annual Shareholders' Meeting**

Date: 9:00 a.m., Monday, May 26, 2025

Place: Conference Room, 2F., No. 87, Dongfeng St., Shulin Dist., New Taipei City 238, Taiwan (R.O.C.)

Chairperson: Lee, Chung-Liang

- I. Call the Meeting to Order (Reporting the Number of Shares Represented at the Meeting )
- II. Chairperson's Remarks
- III. Management Presentation:
  - (I) Business Report for 2024
  - (II) Audit Committee's Review Report on the 2024 Financial Statements
  - (III) Compensation for Employees and Directors in 2024
  - (IV) Status of Endorsement and Guarantees in 2024
  - (V) Report on Directors' Compensation for 2024.
- IV. Proposals:
  - (I) Adoption of the 2024 Financial Statements
  - (II) Adoption of the Proposal for Distribution of 2024 Profits
- V. Discussions:
  - (I) Submit the proposal on the amendments to some provisions of the Company's Articles of Incorporation for approval.
- VI. Election Matters:
  - (I) Election of the 14th Board of Directors.
- VII. Other Proposals:
  - (I) Proposal to Lift the Non-Compete Restrictions for the Newly Appointed Directors of the Company.
- VIII. Extempore Motions
- IX. Adjournment

# Management Presentation

## Case 1.

Proposal: Review and Reference of 2024 Business Operations Report

Explanation: The Business Report for 2024 is attached as pp. 9-12, Attachment I.

## Case 2.

Proposal: Review and Reference of Audit Committee's Review Report on the 2024 Financial Statements

Explanation: Audit Committee's Review Report on the 2024 Financial Statements is attached as p. 13, Attachment 2.

## Case 3.

Proposal: Compensation for Employees and Directors in 2024

Explanation:

1. According to Article 20 of the Articles of Incorporation, "After deducting compensation for employees, directors, and supervisors from the net profits before tax of the current year, the Company shall reserve the remaining profits to cover accumulated losses. Any remaining balance, if applicable, shall be distributed, with a minimum of 1% allocated as compensation for employees and a maximum of 3% as compensation for directors and supervisors." This proposal is for the current distribution.
2. The current distribution proposed to distribute NT\$4,533,970 (1%) for 2024 as compensation for employees, and NT\$13,601,912 (3%) for 2024 as compensation for directors, to be paid in cash.

Case 4.

Proposal: Status of Endorsement and Guarantees in 2024

Explanation: Please refer to the Summary of Endorsements and Guarantees for 2024 as below.

Endorsee/Guarantee	Executing Bank	Purpose of Endorsement and Guarantee	Amount of Endorsement and Guarantee	Date of Resolution by the Board of Directors	Accumulated Utilized Amount as of December 31, 2024
Sin Hwa Biotech Co., Ltd. (Shares)	Mega International Commercial Bank	Operational turnover	NT\$50,000,000	2015.01.20	NT\$0 thousand
HC-Healthcare Co., Ltd. (Shares)	CTBC Bank Co., Ltd.	Operational turnover	NT\$100 million	2020.08.07	NT\$87.987 million
	Mega International Commercial Bank	Operational turnover	NT\$20 million	2020.08.07	NT\$20 million

Case 5.

Proposal: Review and Reference of Directors' Compensation for 2024.

Explanation:

1. The Company's policy, system, standards, and structure for director remuneration are based on the correlation between the responsibilities, risks, and time commitment involved and the amount of remuneration provided.
  - (1) The remuneration for the Company's directors is determined in accordance with the Company's Articles of Incorporation and compensation policies. It takes into account their level of participation in Company operations, the value of their contributions, and the Company's operational status. This is submitted for approval by the Remuneration Committee and resolved by the Board of Directors.
  - (2) The Company's Articles of Incorporation clearly stipulate that, after using the pre-tax profit of the current year to cover accumulated losses and deducting employee and director compensation, any remaining balance should allocate no more than 3% for director compensation.
2. For details on individual director compensation, please refer to p. 14, Appendix 3.

# Proposals

Case 1.

(Proposed by the Board)

Proposal: Adoption of the 2024 Financial Statements

Explanation:

1. Hi-Clearance Incorporated's parent company only financial statements and consolidated financial statements for 2024, were audited by independent auditors, May Yang and Winston Yu of KPMG Taiwan. The audit reports have been issued. Please refer to pp. 15-30, Attachment 4.
2. The 2024 Annual Business Report and Financial Statements have been approved by the Board of Directors and submitted for audit.

The committee has completed its review and respectfully requests approval.

Resolution:

Case 2.

(Proposed by the Board)

Proposal: Adoption of the Proposal for Distribution of 2024 Profits

Explanation:

1. In accordance with the Company Act and Articles of Incorporation.
2. Please refer to the 2023 Profit Distribution Table below.

Hi-Clearance Inc.  
Profit Distribution Table  
2024

(Unit: NT\$)

Items	Amount
Unappropriated retained earnings at start of period	190,629,244
Add (Less):	
<b>Net profit after tax</b>	359,687,521
Gains (losses) on re-measurements of defined benefit plans	292,234
10% legal reserve	(35,997,976)
Special reserve	(30,946,452)
Total earnings available for distribution for the period	<u>483,664,571</u>
Distribution item:	
Shareholder Dividend -- <b>Cash dividend of NT\$7 per share</b>	(311,646,797)
<b>Unappropriated retained earnings at the end of period</b>	<u><u>172,017,774</u></u>

Chairperson:

General Manager:

Principal Accounting Officer:

Resolution:

# Discussions

Case 1.

(Proposed by the Board)

Proposal: Amendment to the Company Articles of Incorporation.

Explanation:

1. In accordance with the Financial Supervisory Commission's Jin-Guan-Zheng-Fa-Zi No. 1130385442 issued on November 8, 2024, the Company is required to define the scope of junior employees for board resolutions and regularly assess the need for adjustments. We propose to amend certain provisions of the Company's Articles of Incorporation.
2. Entry-level employees are defined as those with a salary below a certain threshold:
  - (1) This threshold may be determined by the Company based on its operational conditions and industry characteristics; however, it must not be lower than the salary level for basic employees as defined by the "Regulations for Salary Increases for Employees of Small and Medium Enterprises." Furthermore, it shall adhere to the standards announced in the Ministry of Economic Affairs letter No. 11354001310 dated December 31, 2024, as follows:
    - (a) Average monthly regular salary for full-time employees: NT\$63,000.
    - (b) Part-time Employees:
      - i) Monthly Average Regular Salary: The monthly average regular salary does not exceed NT\$63,000, and when divided by the agreed-upon monthly part-time hours between the employer and employee, it does not exceed NT\$394 per hour.
      - ii) Hourly Compensation: Monthly cumulative payment does not exceed NT\$63,000, and the hourly wage does not exceed NT\$394.
      - iii) Daily Wage Payment: Monthly cumulative payment of daily wages does not exceed NT\$63,000, and the daily wage does not exceed NT\$3,152.
    - (c) In the future, the threshold will be processed in accordance with the announcements made by the competent authority.
3. Please refer to p. 31—Appendix 5 for the table of amendments.
4. Submitted for review.

Resolution:



## Election Matters:

Case 1.

(Proposed by the Board)

Proposal: Election of the 14th Board of Directors.

Explanation:

1. The terms of the Company's directors will expire on June 21, 2025, and a complete re-election will be conducted in accordance with Article 199-1 of the Company Act.
2. In accordance with the Company's Articles of Incorporation, the shareholders' meeting intends to elect 12 directors (including three independent directors) for a term of three years, from May 26, 2025, to May 25, 2028.
3. The 14th Board of Directors election will use a candidate nomination system. The company's Board of Directors has reviewed the list of qualified candidates. Please refer to p. 48-52, Appendix 4.
4. Voting respectfully requested.

Election Results:

## Other Proposals:

Case 1.

(Proposed by the Board)

Proposal: Lift the Non-Compete Restrictions for the Newly Appointed Director for Approval.

Explanation:

1. According to Article 209 of the Company Act: "A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval. "
2. As our Company diversifies its business operations, it is essential to include professionals on the Board of Directors. To prevent any violations of Article 209 of the Company Act, we hereby request the shareholders' meeting to approve the lifting of non-compete restrictions for the following newly appointed directors during their tenure, provided it does not harm the Company's interests.

Proposed List of Directors for the Lifting of Non-Compete Agreements:

Director List	Concurrent Position(s) in Other Companies
Collins Co., Ltd. Representative: John Lee	Chairman of GrowTrend Biomedical Co., Ltd. Chairman of VIE Longue Biotech Inc. Director of DV Biomed Co., Ltd.
Chiang, Ping-Hsun	Director of Sun-Up Healthcare Co., Ltd. Director of Beam International Co., Ltd. Director of Sunrise Care International Co., Ltd. Director of Global Instrumentation Corp.
Chuang, Chien-Yu	Chairman of Taiwan Oriact Co., Ltd. Chairman of Eucare Co., Ltd. Chairman of BioGQ Co., Ltd. Chairman of Dakang New Pharmaceutical Technology Co., Ltd.
Yang, Tzu-Hsuan	Other companies: Special Assistant to the Chairman of Allied Biotech Corp.

Resolution:

## Questions and Motions:

## Adjournment

## Attachment 1.

### Hi-Clearance Inc. Business Report for 2024

Dear shareholders:

Here is the report on the operational performance of 2024 and the operational plan for 2025:

#### I. Operational Performance for 2024:

##### (I) Operational Results:

Unit: NT\$ thousands

Items	Actual Figures for 2024	Actual Figures for 2023	Percentage Increase (Decrease)
Net Operating Revenue	3,610,958	3,429,643	5.29%
Gross Profit	921,459	858,534	7.33%
Operating Income	319,559	296,500	7.78%
Non-operating Revenue	115,702	118,193	-2.11%
Net Income before Tax	435,261	414,693	4.96%
Income Tax	(75,573)	(66,709)	13.29%
Net Profit after Tax	359,688	347,984	3.36%

##### (II) Status of Budget Execution:

The Company has reviewed the budget execution for 2024 and found no significant abnormalities or differences, achieving a close approximation to the budget targets.

##### (III) Financial Income, Expenditure, and Profitability Analysis:

Unit: NT\$ thousands

Items	Content	2024	2023
Revenues and Expenditures	Consolidated net operating revenue	4,072,811	3,895,778
	Consolidated gross profit	1,070,444	1,015,794
	Consolidated net profit after tax	359,688	347,984
Profitability	Consolidated return on assets (ROA) (%)	7.74	7.84
	Consolidated return on stockholders' equity (%)	12.02	12.83
	Consolidated operating income to paid-in capital ratio (%)	95.86	91.32
	Consolidated income before tax to paid-in capital ratio (%)	102.21	97.55
	Consolidated net profit margin (%)	8.83	8.93
	Earnings per Share (in Dollars)	8.08	8.01

#### (IV) Status of Research and Development:

As the Company is not engaged in manufacturing, we do not have a research and development division. During 2024, the Company focused on promoting products in the fields of hemodialysis, dental materials, radiation diagnostic catheters and guidewires, respiratory therapy equipment, emergency rescue equipment, anesthesia consumables, sleep apnea auxiliary equipment, minimally invasive spinal surgery equipment, home care equipment, and specialized nutritional products for kidney disease. The Company continues to build a more comprehensive medical professional channel.

## II. Summary of 2025 Business Plan:

### (I) Operations Strategy

#### (1) Continued Development in Existing Medical Fields

- a. Nephrology sector: Continue to establish a more comprehensive sales platform for hemodialysis products, providing a diverse range of high-quality products and services.
- b. Dental sector: We are seeking to expand our product range and establish a more comprehensive dental materials sales platform. This includes products such as dental implants, specialized blue light 3D navigation equipment for implantology, collagen, bone graft materials, and other biomaterials. We aim to integrate these with relevant digital and high-precision scanning equipment to provide a comprehensive solution for both doctors and patients.
- c. Radiology products: Functional catheters and guidewires, vascular access catheters for dialysis patients, and ongoing development of new products for cerebral vasculature.
- d. Home care products: Focus on preventive healthcare products and nutritional products, providing the public with home care equipment for testing blood sugar, blood pressure, blood lipids, blood oxygen, oxygen concentrator, and at-home care products.
- e. Respiratory and sleep products: Continued development in respiratory care devices and treatment equipment for sleep apnea.
- f. Emergency-related products: Invest in the promotion of defibrillators and anesthesia consumables for emergency use. Additionally, we are actively promoting specialized balloon catheters for trauma-related bleeding, providing patients with critical treatment time.
- g. Spinal Minimally Invasive Equipment: Actively entering the spinal medical field, including areas such as spinal surgery computer navigation equipment and spinal endoscopic minimally invasive surgical equipment.

(2) Expansion into New Medical Fields

Introduction of AI precision medical surgical navigation systems and biomedical materials for human tissue repair.

(3) Establishing a comprehensive logistics system: Medical equipment warehousing and distribution

Our warehouses have obtained GDP distribution licenses for medical devices and pharmaceuticals. Both storage and transportation of goods comply with regulatory requirements, ensuring a comprehensive lifecycle management system for medical equipment and guaranteeing the quality of medical products used by patients.

(4) Expanding Into Foreign Markets

- a. Chinese market: Continue promoting dental collagen filler products in the Chinese market.
- b. Indonesian market: Continued operations in blood dialysis products and neurosurgical navigation equipment.

(II) Operational goals: For 2024, the Company achieved consolidated revenue of NT\$4,072,811 thousand. We will continue to focus on multi-domain development, striving to increase overall sales and operational performance annually. Our goal is to achieve a win-win-win outcome that benefits customers, employees, and shareholders, thereby giving back to society.

(III) Production and sales policies and Company's future development strategies:

- (1) We continue to strengthen our distribution channels in the Taiwanese medical market, optimize production and sales pathways, expand our operational platform and scale, and provide high-quality services to the public, hospitals, and clinics.
- (2) Following a sustainable development path, we continue to implement internal governance systems, prioritize stakeholder communication, and take effective measures to reduce carbon emissions. This ensures a high-quality environment and balances revenue growth with the goal of protecting the planet, advancing towards sustainable operations.

III. Affected by the external competitive environment, regulatory environment, and overall business environment

The competition for domestic healthcare-related products is very fierce, and the quality varies. Each company's marketing strategies vary, and the products adopt a value segmentation approach to increase market share. Since its establishment, the Company has adhered to the customer-oriented concept, providing customers with multiple brands and a full range of products and better services.

We have established medical product logistics warehouses in the northern, central, and southern regions to build a stronger support system. All medical equipment and pharmaceutical warehouses have obtained distribution and labeling licenses in compliance with relevant regulations.

Furthermore, based on the Financial Supervisory Commission's promotion of the Corporate Governance 3.0 - Sustainable Development Roadmap, we will continue to review and implement various measures to strengthen corporate governance capabilities and enhance sustainable development.

Chairperson:

General Manager:

Principal Accounting Officer:

## **Attachment 2.**

### **Hi-Clearance Inc.**

#### **Audit Committee's Review Report**

The Board of Directors presents the 2024 Annual Business Report, Financial Statements (including Consolidated and Individual Financial Statements), and the Earnings Distribution Proposal of Hi-Clearance Inc. The Financial Statements have been audited by CPAs May Yang and Winston Yu of KPMG Taiwan, who have issued an audit report.

The above mentioned reports and statements produced and submitted by the Board of Directors have been audited by the Audit Committee and no nonconformity has been found. Thus, in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, they are hereby submitted for approval.

Sincerely,

2025 Annual Shareholders' Meeting of Hi-Clearance Inc.

Convener of the Audit Committee: Chuang, Chien-Yu

February 21, 2025

Attachment 3.

Details of Directors' Compensation for 2024

December 31, 2024

Unit: NT\$ thousands

Job Title	Name	Remuneration to directors								Percentage of the total of 4 items A, B, C and D to net income after taxes		Remuneration received by directors for concurrent service as an employee								Total of A, B, C, D, E, F and G and percentage to net income after tax		Remuneration paid to Director from investees other than the Company's subsidiaries or parent company
		Compensation (A)		Severance Pay and Pension (B)		Director' remuneration (C)		Operating expenses (D)				Salaries, Bonuses and Special Allowances (E)		Severance pay and pension (F)		Employee Compensation (G)						
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company		All consolidated entities		The Company	All consolidated entities	
																Amount in cash	Amount in stock	Amount in cash	Amount in stock			
Chairman	Collins Co., Ltd.	0	0	0	0	4,081	4,081	0	0	4,081 1.13%	4,081 1.13%	0	0	0	0	0	0	0	0	4,081 1.13%	4,081 1.13%	None
	Representative of Collins Co., Ltd.: John Lee	0	0	0	0	0	0	40	40	40 0.01%	40 0.01%	8,198	8,198	0	0	0	0	0	0	8,238 2.29%	8,238 2.29%	11,403
Director	Representative of Collins Co., Ltd.: Lee, Hsi-Lu	0	0	0	0	0	0	40	40	40 0.01%	40 0.01%	0	0	0	0	0	0	0	0	40 0.01%	40 0.01%	None
Director	Hi-Clearance Investment Co., Ltd.	0	0	0	0	2,040	2,040	0	0	2,040 0.57%	2,040 0.57%	0	0	0	0	0	0	0	0	2,040 0.57%	2,040 0.57%	None
	Representative of Hi-Clearance Investment Co., Ltd.: Chen, Ping-Chang	0	0	0	0	680	760	40	40	720 0.20%	800 0.22%	0	7,133	0	0	0	0	0	0	720 0.20%	7,933 2.21%	None
	Representative of Hi-Clearance Investment Co., Ltd.: Hsieh, Chih-Fu	0	0	0	0	680	813	40	40	720 0.20%	853 0.24%	4,992	4,992	0	0	0	0	0	0	5,712 1.59%	5,845 1.63%	None
	Representative of Hi-Clearance Investment Co., Ltd.: Lee, Ying-Fen	0	0	0	0	680	840	40	40	720 0.20%	880 0.24%	4,070	4,070	0	0	0	0	0	0	4,790 1.33%	4,950 1.38%	None
Director	Zhong Yu Investment Co., Ltd.	0	0	0	0	1,360	1,360	0	0	1,360 0.38%	1,360 0.38%	0	0	0	0	0	0	0	0	1,360 0.38%	1,360 0.38%	None
	Representative of Zhong Yu Investment Co., Ltd.: Chen, Chun-Hung	0	0	0	0	0	0	35	35	35 0.01%	35 0.01%	0	0	0	0	0	0	0	0	35 0.01%	35 0.01%	None
Director	Representative of Zhipin Xingye Co., Ltd.: Lee, Yi-Hsuan	0	0	0	0	1,360	1,360	40	40	1,400 0.39%	1,400 0.39%	0	0	0	0	0	0	0	0	1,400 0.39%	1,400 0.39%	None
Director	Chen, Kuo-Shih	0	0	0	0	1,360	1,466	40	40	1,400 0.39%	1,506 0.42%	10,070	10,720	0	0	0	0	0	0	11,470 3.19%	12,226 3.40%	None
Director	Chiang, Ping-Hsun	0	0	0	0	1,360	1,360	40	40	1,400 0.39%	1,400 0.39%	0	0	0	0	0	0	0	0	1,400 0.39%	1,400 0.39%	None
Independent Director	Chuang, Chien-Yu	600	600	0	0	0	0	85	85	685 0.19%	685 0.19%	0	0	0	0	0	0	0	0	685 0.19%	685 0.19%	None
Independent Director	Chen, Hung-Pin	600	600	0	0	0	0	85	85	685 0.19%	685 0.19%	0	0	0	0	0	0	0	0	685 0.19%	685 0.19%	None
Independent Director	Yang, Tzu-Hsuan	600	600	0	0	0	0	85	85	685 0.19%	685 0.19%	0	0	0	0	0	0	0	0	685 0.19%	685 0.19%	None



## **Attachment 4.**

### **Independent Auditors' Report**

Board of Directors of Hi-Clearance Inc. herein declares:

#### **Opinions**

The 2024 and 2023 balance sheet of Hi-Clearance Inc., as well as the comprehensive income statement, statement of changes in equity, statement of cash flows, and notes to the Parent Company Only Financial Statements for the period from January 1 to December 31 of the years 2024 and 2023 (including the aggregation of significant accounting policies), have been audited by our CPAs.

In our opinion, the Parent Company Only Financial Statements mentioned above has been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers in all material aspects, and are considered to have reasonably expressed the financial conditions of Hi-Clearance Inc. as of December 31, 2024 and 2023, as well as its financial performance and cash flows from January 1 to December 31, 2024 and 2023.

#### **Basis for Opinions**

The audit was conducted in accordance with the Regulations Governing the Auditing and Attestation of Financial Statements by Certified Public Accountants and Generally Accepted Auditing Standards (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of Hi-Clearance Inc. in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China ("The Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Parent Company Only Financial Statements of Hi-Clearance Inc. for the year 2024. These matters were addressed in the context of our audit of the Parent Company Only Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Critical matters that should be communicated in the audit report are as follows:

##### **I. Revenue recognition**

For the accounting policies related to revenue recognition, please refer to Note 4 (XV) of the Parent Company Only Financial Statements. For details of revenue, please refer to Note 6 (XIX).

Explanation of key audit matters:

Hi-Clearance Inc. is primarily involved in the trading of medical equipment and pharmaceuticals. Revenue recognition is one of the critical assessment matters that performed in the audit of the financial report of Hi-Clearance Inc., and it is expected to be a matter of concern to users or recipients of the report.

Audit procedures:

The CPAs perform the following key audit procedures regarding the aforementioned matters:

- Evaluate whether the revenue recognition policy of the Hi-Clearance Inc. is in accordance with International Financial Reporting Standard No. 15.
- Assess the efficacy of the design and implementation of the recognized internal control system for sales revenue.
- Review the current year's sales revenue and verify supporting documents to assess any material discrepancies.
- Reconcile certificates in the period before and after the selected balance sheet date, in order to record the appropriate cut-off date for evaluating sales revenue recognition, etc.

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

To ensure that the Parent Company Only Financial Statements do not contain material misstatements caused by fraud or errors, management is responsible for preparing prudent Parent Company Only Financial Statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for preparing and maintaining necessary internal control procedures pertaining to the Parent Company Only Financial Statements.

In preparing the Parent Company Only Financial Statements, management is responsible for assessing Hi-Clearance Inc.'s ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless the management either intends to liquidate Hi-Clearance Inc. 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 Hi-Clearance Inc.'s financial reporting process.

## **Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements**

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

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

1. Identify and evaluate the risk of material misstatements due to fraud or error in the Parent Company Only Financial Statements; design and carry out appropriate countermeasures for the evaluated risk; and obtain sufficient and appropriate evidence as the basis for audit 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of Hi-Clearance Inc.
3. Assess the appropriateness of the accounting policies adopted by the management, as well as the reasonableness of their accounting estimates and relevant disclosures.
4. Conclude on the appropriateness of the 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 Hi-Clearance Inc.'s ability to operate 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 Parent Company Only Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Hi-Clearance Inc. to cease to continue as a going concern.
5. Evaluate the overall expression, structure and contents of the Parent Company Only Financial Statements (including relevant Notes), and whether the Parent Company Only Financial Statements fairly present relevant transactions and items.

6. Sufficient and appropriate audit evidence about the financial information of investees under equity-method shall be obtained in order to express an opinion on the Parent Company Only Financial Statements. We are responsible for the direction, supervision, and performance of the audit and for expressing an opinion on the Parent Company Only Financial Statements of Hi-Clearance Inc.

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.

Those charged with governance are also provided with a statement that complies with relevant ethical requirements regarding independence, and the CPAs communicate with the governance unit all relationships and other matters that may affect their independence, and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine the key audit matters of Hi-Clearance Inc.'s Parent Company Only Financial Statements for the year 2024. 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.

KPMG Taiwan

CPA:

Securities authorities approval document no. February 21, 2025  
Jin-Guan-Zheng-Shen-Zi No. 1040003949  
Tai-Cai-Zheng-Liu-Zi No.0920122026

**Hi-Clearance Inc.**  
**Balance Sheet**  
**December 31, 2024 and 2023**

**Unit: NT\$ thousand**

Assets		2024.12.31		2023.12.31		Liabilities and equity		2024.12.31		2023.12.31	
		Amount	%	Amount	%			Amount	%	Amount	%
<b>Current assets:</b>						<b>Current liabilities:</b>					
1100	Cash and cash equivalents (Notes 6 (I))	\$ 145,668	3	153,294	4	2100	Short-term loans (Note 6 (XI) and Note 8)	\$ 260,000	6	-	-
1110	Financial assets at fair value through profit or loss - current (Note 6 (II))	530	-	-	-	2120	Financial liabilities at fair value through profit or loss - current (Note 6 (II))	-	-	240	-
1150	Net amount of notes receivable (Note 6 (IV))(XIX))	167,650	4	211,079	5	2130	Contract liabilities - current (Note 6 (XIX))	19,604	-	13,920	-
1170	Net amount of accounts receivable (Note 6 (IV))(XIX))	789,422	20	749,399	19	2150	Notes payable	6,254	-	7,515	-
1180	Net amount of accounts receivable - related parties (Notes 6 (IV))(XIX) and 7)	75,235	2	105,330	3	2170	Accounts payable	611,725	15	624,350	16
1197	Net amount of financial leases receivable (Note 6 (IV))(XIX))	36,133	1	39,337	1	2180	Accounts payable - related parties (Note 7)	1,020	-	2,447	-
1200	Other receivables	2,575	-	650	-	2200	Other payables (Note 6 (XIV))	152,243	4	163,933	4
1212	Other receivables - related parties (Note 6 (IV) and 7)	456	-	331	-	2220	Other payables - related parties (Note 7)	14,563	-	15,166	-
1300	Inventory (Note 6 (V))	658,924	16	629,386	16	2230	Current income tax liabilities	48,135	1	19,989	1
1410	Prepayments	19,263	-	65,209	2	2280	Lease liabilities - current (Note 6 (XII))	818	-	1,200	-
1476	Other financial assets - current (Note 8)	51,854	1	2,647	-	2300	Other current liabilities	26,153	1	25,206	1
1479	Other current assets - others	3,863	-	3,534	-		<b>Total current liabilities</b>	1,140,515	27	873,966	22
	<b>Total current assets</b>	1,951,573	47	1,960,196	50		<b>Non-current liabilities:</b>				
<b>Non-current assets:</b>						2527	Contract liabilities - non-current (Note 6 (XIX))	26,922	1	18,713	1
1517	Financial assets at fair value through other comprehensive income - non-current (Note 6 (III))	12,010	-	268	-	2570	Deferred income tax liabilities (Note 6 (XV))	8,747	-	8,372	-
1550	Investments accounted for using the equity method (Note 6 (VI))	814,926	19	795,282	20	2580	Lease liabilities - non-current (Note 6 (XII))	1,438	-	2,256	-
1600	Property, plant, and equipment (Note 6 (VII) and 8)	1,115,141	27	923,971	24	2600	Other non-current liabilities (Note 6 (XIV))	-	-	134	-
1755	Right-of-use assets (Note 6 (VIII))	2,165	-	3,363	-		<b>Total non-current liabilities</b>	37,107	1	29,475	1
1760	Net amount of investment property (Note 6 (IX))	26,092	1	26,101	1		<b>Total liabilities</b>	1,177,622	28	903,441	23
1780	Intangible assets (Note 6 (X))	16,951	-	21,429	1		<b>Equity (Note 6 (XVI)):</b>				
1840	Deferred tax assets (Note 6 (XV))	5,612	-	4,917	-	3100	Capital stock	445,210	11	445,210	12
1930	Net amount of long-term notes receivable (Note 6 (IV))(XIX))	10,011	-	7,168	-	3200	Capital surplus	1,601,988	38	1,601,988	41
194D	Net amount of long-term financial leases receivable (Note 6 (IV))(XIX))	109,945	3	96,086	3	3300	Retained earnings	992,317	24	943,984	24
1990	Other Non-Current Assets - Miscellaneous (Notes 6 (XIV), 7, and 9)	115,119	3	48,528	1	3400	Other equity	(37,592)	(1)	(7,314)	-
	<b>Total non-current assets</b>	2,227,972	53	1,927,113	50		<b>Total equity</b>	3,001,923	72	2,983,868	77
<b>Total assets</b>		<u>\$ 4,179,545</u>	<u>100</u>	<u>3,887,309</u>	<u>100</u>	<b>Total liabilities and equity</b>		<u>\$ 4,179,545</u>	<u>100</u>	<u>3,887,309</u>	<u>100</u>

(Please refer to the notes of the Parent Company Only Financial Statements)

**Chairman: Lee Chung-Liang**

**Executive: Chen Kuo-Shih**

**Chief Accountant: Chang Yaw-Yuan**

**Hi-Clearance Inc.**  
**Statement of Comprehensive Income**  
**January 1 to December 31, 2024 and 2023**

Unit: NT\$ thousand

		<b>2024</b>		<b>2023</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
4000	<b>Operating revenue (Note 6 (XIII)(XIX) and 7)</b>	\$ 3,610,958	100	3,429,643	100
5000	<b>Operating costs (Note 6 (V) and 7)</b>	2,689,499	74	2,571,109	75
	<b>Gross profit</b>	921,459	26	858,534	25
	<b>Operating expenses (Notes 6 (IV), (XII), (XIV), (XVII), (XX), and 7):</b>				
6100	Selling and marketing expenses	376,569	11	334,550	10
6200	General and administrative expenses	223,788	6	222,609	6
6450	Expected credit loss	1,543	-	4,875	-
	<b>Total operating expenses</b>	601,900	17	562,034	16
	<b>Net operating income</b>	319,559	9	296,500	9
	<b>Non-operating income and expenses:</b>				
7100	Interest income (Note 6 (XXI))	7,054	-	9,234	-
7010	Other income (Note 6 (XIII)(XXI) and 7)	17,519	-	11,224	-
7020	Other gains and losses (Note 6 (XXI))	3,098	-	9,583	-
7050	Financial costs (Note 6 (XI)(XXI))	(3,947)	-	(4,139)	-
7070	Share of profit or loss of subsidiaries, associates and joint ventures accounted for using the equity method (Note 6 (VI))	91,978	3	92,291	3
	<b>Total non-operating income and expenses</b>	115,702	3	118,193	3
7900	<b>Income before tax</b>	435,261	12	414,693	12
7950	<b>Deduction: Income tax expenses (Note 6 (XV))</b>	75,573	2	66,709	2
	<b>Net income for the period</b>	359,688	10	347,984	10
8300	<b>Other comprehensive income:</b>				
8310	<b>Components that will not be reclassified to profit or loss</b>				
8311	Gains (losses) on re-measurements of defined benefit plans (Note 6 (XIV))	218	-	(557)	-
8316	Unrealized gains (losses) on investments in equity instruments at fair value through other comprehensive income	(33,258)	(1)	-	-
	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method - items not reclassified to profit or loss	74	-	(693)	-
	<b>Total components not reclassified to profit or loss</b>	(32,966)	(1)	(1,250)	-
8360	<b>Components that may be reclassified to profit or loss</b>				
8361	Exchange differences on translation of financial statements of foreign operations	2,980	-	(1,869)	-
	<b>Total components that may be reclassified to profit or loss</b>	2,980	-	(1,869)	-
8300	<b>Other comprehensive income (net after tax)</b>	(29,986)	(1)	(3,119)	-
	<b>Total comprehensive income for the period</b>	<b>\$ 329,702</b>	<b>9</b>	<b>344,865</b>	<b>10</b>
	<b>Earnings per share (NT\$) (Note 6 (XVIII))</b>				
9750	<b>Basic earnings per share (NT\$)</b>	<b>\$ 8.08</b>		<b>8.01</b>	
9850	<b>Diluted earnings per share (NT\$)</b>	<b>\$ 8.07</b>		<b>7.98</b>	

(Please refer to the notes of the Parent Company Only Financial Statements)

Chairman: Lee Chung-Liang

Executive: Chen Kuo-Shih

Chief Accountant: Chang Yaw-Yuan

**Hi-Clearance Inc.**  
**Statement of Changes in Equity**  
**January 1 to December 31, 2024 and 2023**

**Unit: NT\$ thousand**

	Retained Earnings						Other Equity Items			
	Capital Stock - Common Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translation of Financial Statements of Foreign Operations	Gains (losses) on investments in equity instruments at fair value through other comprehensive income	Others	Total Equity
Balance as of January 1, 2023	\$ 405,210	1,130,866	362,933	5,569	539,726	908,228	(4,776)	-	-	2,439,528
Appropriation and distribution of earnings:										
Appropriation of legal reserve	-	-	37,389	-	(37,389)	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(311,647)	(311,647)	-	-	-	(311,647)
Reversal of special reserve	-	-	-	(793)	793	-	-	-	-	-
Modifications to other capital reserves:										
Receipt of donation	-	28	-	-	-	-	-	-	-	28
Net income for the period	-	-	-	-	347,984	347,984	-	-	-	347,984
Other comprehensive income for the period	-	-	-	-	(581)	(581)	(1,869)	-	(669)	(3,119)
Total comprehensive income for the period	-	-	-	-	347,403	347,403	(1,869)	-	(669)	344,865
Cash capital increase	40,000	458,750	-	-	-	-	-	-	-	498,750
Share-based payment transactions	-	12,344	-	-	-	-	-	-	-	12,344
Balance as of December 31, 2023	445,210	1,601,988	400,322	4,776	538,886	943,984	(6,645)	-	(669)	2,983,868
Appropriation and distribution of earnings:										
Appropriation of legal reserve	-	-	34,740	-	(34,740)	-	-	-	-	-
Appropriation of special reserve	-	-	-	1,869	(1,869)	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(311,647)	(311,647)	-	-	-	(311,647)
Net income for the period	-	-	-	-	359,688	359,688	-	-	-	359,688
Other comprehensive income for the period	-	-	-	-	292	292	2,980	(33,258)	-	(29,986)
Total comprehensive income for the period	-	-	-	-	359,980	359,980	2,980	(33,258)	-	329,702
Balance as of December 31, 2024	\$ 445,210	1,601,988	435,062	6,645	550,610	992,317	(3,665)	(33,258)	(669)	3,001,923

(Please refer to the notes of the Parent Company Only Financial Statements)

**Chairman: Lee Chung-Liang**

**Executive: Chen Kuo-Shih**

**Chief Accountant: Chang Yaw-Yuan**

**Hi-Clearance Inc.**  
**Cash Flow**  
**January 1 to December 31, 2024 and 2023**

	<b>Unit: NT\$ thousand</b>	
	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities:</b>		
Income before tax for the period	\$ 435,261	414,693
Adjustment items:		
Adjustments to reconcile profit (loss)		
Depreciation expenses	46,808	41,612
Amortization expenses	5,369	2,381
Expected credit loss	1,543	4,875
Net loss on financial assets and liabilities at fair value through (profit) loss	(1,883)	625
Interest expenses	3,947	4,139
Interest income	(7,054)	(9,234)
Dividend income	(4)	(4)
Share-based remuneration cost	-	12,344
Share of profit of subsidiaries, associates and joint ventures accounted for using the equity method	(91,978)	(92,291)
Loss (gain) on disposal of property, plant, and equipment	3,404	(1,204)
Total adjustments to reconcile profit (loss)	<u>(39,848)</u>	<u>(36,757)</u>
Changes in operating assets and liabilities:		
Decrease in financial assets at fair value through profit or loss	1,131	68
Decrease (increase) in notes receivable	41,035	(14,982)
(Increase) in accounts receivable	(41,907)	(47,269)
Decrease in accounts receivable - related parties	30,095	16,575
Decrease (increase) in other receivables	(1,925)	4,720
Other receivables - (increase) in related parties	(125)	(126)
Decrease (increase) in inventory	(60,436)	32,384
Increase in finance lease receivables	(10,763)	(15,252)
Decrease (increase) in prepayments	45,946	(30,281)
(Increase) in other current assets	(329)	(126)
Decrease in other financial assets	793	3,618
Increase in other operating assets	<u>(10,761)</u>	<u>(1,598)</u>
Total net changes in assets related to operating activities	<u>(7,246)</u>	<u>(52,269)</u>
Decrease in financial liabilities at fair value through profit or loss	(18)	(489)
Increase in contractual liabilities	13,893	6,394
Decrease in notes payable	(1,261)	(110)
(Decrease) in accounts payable	(12,625)	(26,621)
Accounts payable - increase (decrease) in related parties	(1,427)	1,167
Decrease in other payables	(11,690)	(11,120)
(Decrease) in other payables - related parties	(603)	(6,968)
Increase in other current liabilities	947	10,099
Increase (decrease) in other operating liabilities	<u>84</u>	<u>(5,574)</u>
Total net changes in liabilities related to operating activities	<u>(12,700)</u>	<u>(33,222)</u>
Total net changes in assets and liabilities related to operating activities	<u>(19,946)</u>	<u>(85,491)</u>
Total adjustment items:	<u>(59,794)</u>	<u>(122,248)</u>
Cash inflows from operations	375,467	292,445
Interest received	7,054	9,234
Dividends received	71,118	76,962
Interest paid	(3,947)	(4,139)
Income tax paid	<u>(47,747)</u>	<u>(76,710)</u>
Net cash inflow from operating activities	<u>401,945</u>	<u>297,792</u>
<b>Cash flows from investing activities:</b>		
Acquisition of financial assets at fair value through other comprehensive income	(45,000)	-
Acquisition of property, plant, and equipment	(213,370)	(21,362)
Disposal of property, plant, and equipment	4,093	2,120
Increase in refundable deposits	(59,654)	(46,527)
Decrease in refundable deposits	49,538	37,871
Intangible asset acquisition	(891)	(2,381)
Prepaid intangible assets	(45,714)	-
Dividends received from associates	4,274	4,289
Increase in other financial assets	<u>(50,000)</u>	<u>-</u>
Net cash outflow from investing activities	<u>(356,724)</u>	<u>(25,990)</u>
<b>Cash flows from financing activities:</b>		
Increase in short-term loans	1,770,000	990,000
Decrease in short-term loans	(1,510,000)	(1,400,000)
Lease principal payment	(1,200)	(1,148)
Cash dividends paid	(311,647)	(311,647)
Cash capital increase	-	498,750
Subsidiary equity acquisition	<u>-</u>	<u>(37,730)</u>
Net cash outflow from financing activities	<u>(52,847)</u>	<u>(261,775)</u>
Increase (decrease) in cash and cash equivalents during the period	(7,626)	10,027
Cash and cash equivalents at beginning of period	153,294	143,267
Cash and cash equivalents at end of period	<u>\$ 145,668</u>	<u>153,294</u>

(Please refer to the notes of the Parent Company Only Financial Statements)

Chairman: Lee Chung-Liang

Executive: Chen Kuo-Shih   Chief Accountant: Chang Yaw-Yuan



## **Independent Auditors' Report**

Board of Directors of Hi-Clearance Inc. herein declares:

### **Opinions**

The 2024 and 2023 consolidated balance sheet of Hi-Clearance Inc. and subsidiaries (hereinafter referred to as "Hi-Clearance Group"), as well as the comprehensive income statement, consolidated statement of changes in equity, consolidated statement of cash flows, Consolidated Financial Statements, and notes to the Consolidated Financial Statements for the period from January 1 to December 31 of the years 2024 and 2023 (including the aggregation of significant accounting policies), have been audited by our CPAs.

In our opinion, the Consolidated Financial Statements mentioned above have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, as well as the International Financial Reporting Standards (IFRSs), International Accounting Standards (IAS), law and regulation reviews and their announcements recognized and announced by the Financial Supervisory Commission in all material aspects, and are considered to have reasonably expressed the consolidated financial conditions of Hi-Clearance Group as of December 31, 2024 and 2023, as well as the consolidated financial performance and consolidated cash flows from January 1 to December 31, 2024 and 2023.

### **Basis for Opinions**

The audit was conducted in accordance with the Regulations Governing the Auditing and Attestation of Financial Statements by Certified Public Accountants and Generally Accepted Auditing Standards (GAAS). 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 Hi-Clearance Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China ("The Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of Hi-Clearance Group for the year 2024. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. Critical matters that should be communicated in the audit report are as follows:

## I. Revenue recognition

For the accounting policies related to revenue recognition, please refer to Note 4 (XV) of the Consolidated Financial Statements. For details of revenue, please refer to Note 6 (XX).

Explanation of key audit matters:

The Hi-Clearance Group is primarily involved in the purchase and sale of medical equipment and pharmaceuticals, as well as offering healthcare management consulting services. Revenue recognition is one of the critical assessment matters that performed in the audit of the financial report of Hi-Clearance Group, and it is expected to be a matter of concern to users or recipients of the report.

Audit procedures:

The CPAs perform the following key audit procedures regarding the aforementioned matters:

- Evaluate whether the revenue recognition policy of the Hi-Clearance Group is in accordance with International Financial Reporting Standard No. 15.
- Assess the efficacy of the design and implementation of the recognized internal control system for sales revenue.
- Review the current year's sales revenue and verify supporting documents to assess any material discrepancies.
- Reconcile certificates in the period before and after the selected balance sheet date, in order to record the appropriate cut-off date for evaluating sales revenue, etc.

## Other Matters

We have also audited the Parent Company Only Financial Report of Hi-Clearance Inc. for the years 2024 and 2023, on which we have issued an unqualified opinion.

## Responsibilities of management and those charged with governance for the Consolidated Financial Statements

To ensure that the Consolidated Financial Statements do not contain material misstatements caused by fraud or errors, management is responsible for preparing prudent Consolidated Financial Statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, as well as the IFRS, IAS, law and regulation reviews and their announcements recognized and announced by the Financial Supervisory Commission, and for preparing and maintaining necessary internal control procedures pertaining to the Consolidated Financial Statements.

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

Those charged with governance (including the Audit Committee) are responsible for overseeing Hi-Clearance Group's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

1. Identify and evaluate the risk of material misstatements due to fraud or error in the Consolidated Financial Statements; design and carry out appropriate countermeasures for the evaluated risk; and obtain sufficient and appropriate evidence as the basis for their audit 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of Hi-Clearance Group.
3. Assess the appropriateness of the accounting policies adopted by the management, as well as the reasonableness of their accounting estimates and relevant disclosures.
4. Conclude on the appropriateness of the 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 Hi-Clearance Group's ability to operate as a going concern. If material uncertainty is found, CPAs are required to draw attention in the audit report to related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify the audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Hi-Clearance Group to cease to continue as a going concern.
5. Evaluate the overall expression, structure and contents of the Consolidated Financial Statements (including relevant Notes), and whether the Consolidated Financial Statements fairly present relevant transactions and items.

6. Sufficient and appropriate audit evidence about the financial information of the Group's constituent entities shall be obtained in order to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision, and performance of the audit and for expressing an opinion on the Parent Company Only Financial Statements of Aurora Corporation.

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.

Those charged with governance are also provided with a statement that complies with relevant ethical requirements regarding independence, and the CPAs communicate with the governance unit all relationships and other matters that may affect their independence, and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine the key audit matters of Hi-Clearance Group's Consolidated Financial Statements for the year 2024. 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.

KPMG Taiwan

CPA:

Securities authorities approval document no. : Jin-Guan-Zheng-Shen-Zi No. 1040003949  
Tai-Cai-Zheng-Liu-Zi No.0920122026  
February 21, 2025

Hi-Clearance Inc. and Subsidiaries  
Consolidated Balance Sheets  
December 31, 2024 and 2023

Unit: NT\$ thousand

Assets		2024.12.31		2023.12.31		Liabilities and equity		2024.12.31		2023.12.31	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (Notes 6 (I))	\$ 414,865	8	401,137	9	2100	Short-term loans (Note 6 (XI) and Note 8)	\$ 367,987	7	91,565	2
1110	Financial assets at fair value through profit or loss - current (Note 6 (II))	22,561	-	51,966	1	2120	Financial liabilities at fair value through profit or loss - current (Note 6 (II))	-	-	240	-
1150	Net amount of notes receivable (Notes 6 (IV), (XX) and Note 8)	183,794	4	229,978	5	2130	Contract liabilities - current (Note 6 (XX))	19,604	-	13,920	-
1170	Net amount of accounts receivable (Notes 6 (IV), (XX))	957,359	19	919,622	20	2150	Notes payable	6,260	-	7,521	-
1180	Net amount of accounts receivable - related parties (Notes 6 (IV), (XX) and Note 7)	59,804	1	85,080	2	2170	Accounts payable	655,695	13	681,169	15
						2180	Accounts payable - related parties (Note 7)	1,020	-	2,282	-
1197	Net amount of financial leases receivable (Notes 6 (IV), (XX))	36,133	1	39,337	1	2200	Other payables - others	174,610	4	184,597	4
1200	Other receivables	2,936	-	1,341	-	2220	Other payables - related parties (Note 7)	13,726	-	14,665	-
1300	Inventory (Note 6 (V))	671,681	14	645,457	14	2230	Current income tax liabilities	57,746	1	29,218	1
1410	Prepayments	23,263	-	69,183	1	2280	Lease liabilities - current (Note 6 (XIII))	78,769	2	71,364	2
1476	Other financial assets - current (Note 8)	108,102	2	58,895	1	2300	Other current liabilities - others	27,090	1	26,516	1
1479	Other current assets - others	4,297	-	7,892	-		Total current liabilities	1,402,507	28	1,123,057	25
	Total current assets	2,484,795	49	2,509,888	54		Non-current liabilities:				
Non-current assets:						2527	Contract liabilities - non-current (Note 6 (XX))	26,922	1	18,713	-
1517	Financial assets at fair value through other comprehensive income - non-current (Note 6 (III))	12,010	-	268	-	2540	Long-term loans (Note 6 (XII))	-	-	12,357	-
1550	Investments accounted for using the equity method (Note 6 (VI))	123,835	2	116,390	3	2570	Deferred income tax liabilities (Note 6 (XVI))	8,747	-	8,372	-
1600	Property, plant, and equipment (Note 6 (VII) and 8)	1,272,551	26	1,061,550	23	2580	Lease liabilities - non-current (Note 6 (XIII))	518,630	10	469,455	10
1755	Right-of-use assets (Note 6 (VIII))	571,407	12	519,455	11	2600	Other non-current liabilities (Note 6 (XV))	1,661	-	2,063	-
1760	Investment property (Note 6 (IX))	26,092	1	26,101	1		Total non-current liabilities	555,960	11	510,960	10
1780	Intangible assets (Note 6 (X))	174,187	4	188,979	4		Total liabilities	1,958,467	39	1,634,017	35
1840	Deferred tax assets (Note 6 (XVI))	5,612	-	4,917	-		Equity (Note 6 (XVII)):				
1930	Long-term notes receivable (Notes 6 (IV), (XX) and Note 8)	10,011	-	7,168	-	3110	Capital stock	445,210	9	445,210	10
194D	Net amount of long-term financial leases receivable (Notes 6 (IV), (XX))	109,945	2	96,086	2	3200	Capital surplus	1,601,988	33	1,601,988	35
1990	Other Non-Current Assets - Miscellaneous (Notes 6 (XV), 7, and 9)	169,945	4	87,083	2	3300	Retained earnings	992,317	20	943,984	20
	Total non-current assets	2,475,595	51	2,107,997	46	3400	Other equity	(37,592)	(1)	(7,314)	-
							Total equity	3,001,923	61	2,983,868	65
Total assets		\$ 4,960,390	100	4,617,885	100	Total liabilities and equity		\$ 4,960,390	100	4,617,885	100

(Please refer to the notes of the Consolidated Financial Statements)

Chairman: Lee Chung-Liang

Executive: Chen Kuo-Shih

Chief Accountant: Chang Yaw-Yuan

**Hi-Clearance Inc. and Subsidiaries**  
**Consolidated Statements of Comprehensive Income**  
**January 1 to December 31, 2024 and 2023**

Unit: NT\$ thousand

		<b>2024</b>		<b>2023</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
4000	<b>Operating revenue (Note 6 (XIV), (XX) and Note 7)</b>	\$ 4,072,811	100	3,895,778	100
5000	<b>Operating costs (Notes 6 (V), (XV), Note 7, and Note 12)</b>	3,002,367	74	2,879,984	74
	<b>Gross profit</b>	1,070,444	26	1,015,794	26
	<b>Operating expenses (Notes 6 (IV), (XV), (XVIII), Note 7, and Note 12):</b>				
6100	Selling and marketing expenses	382,088	9	341,812	9
6200	General and administrative expenses	260,483	6	258,742	7
6450	Expected credit loss	1,076	-	8,696	-
	<b>Total operating expenses</b>	643,647	15	609,250	16
	<b>Net operating income</b>	426,797	11	406,544	10
	<b>Non-operating income and expenses:</b>				
7100	Interest income (Note 6 (XXII))	10,038	-	11,555	-
7010	Other income (Note 6 (XXII) and Note 7)	14,149	-	8,617	-
7020	Other gains and losses (Note 6 (XXII))	6,128	-	9,403	-
7050	Financial costs (Notes 6 (XIII) and (XXII))	(13,812)	-	(12,440)	-
7060	Share of profit or loss of affiliates and joint ventures accounted for using the equity method (Note 6 (VI))	11,763	-	10,626	-
	<b>Total non-operating income and expenses</b>	28,266	-	27,761	-
7900	<b>Income before tax</b>	455,063	11	434,305	10
7950	<b>Deduction: Income tax expenses (Note 6 (XVI))</b>	95,375	2	86,321	1
	<b>Net income for the period</b>	359,688	9	347,984	9
8300	<b>Other comprehensive income:</b>				
8310	<b>Components that will not be reclassified to profit or loss</b>				
8311	Gains (losses) on re-measurements of defined benefit plans (Note 6 (XV))	292	-	(581)	-
8316	Unrealized gains (losses) on investments in equity instruments at fair value through other comprehensive income	(33,258)	(1)	(669)	-
	<b>Total components not reclassified to profit or loss</b>	(32,966)	(1)	(1,250)	-
8360	<b>Components that may be reclassified to profit or loss</b>				
8361	Exchange differences on translation of financial statements of foreign operations	2,980	-	(1,869)	-
	<b>Total components that may be reclassified to profit or loss</b>	2,980	-	(1,869)	-
8300	<b>Other comprehensive income (net after tax)</b>	(29,986)	(1)	(3,119)	-
	<b>Total comprehensive income for the period</b>	<u>\$ 329,702</u>	<u>8</u>	<u>344,865</u>	<u>9</u>
	<b>Earnings per share (NT\$) (Note 6 (XIX))</b>				
9750	<b>Basic earnings per share (NT\$)</b>	<u>\$ 8.08</u>		<u>8.01</u>	
9850	<b>Diluted earnings per share (NT\$)</b>	<u>\$ 8.07</u>		<u>7.98</u>	

(Please refer to the notes of the Consolidated Financial Statements)

Chairman: Lee Chung-Liang

Executive: Chen Kuo-Shih

Chief Accountant: Chang Yaw-Yuan

**Hi-Clearance Inc. and Subsidiaries**  
**Consolidated Statements of Changes in Equity**  
**January 1 to December 31, 2024 and 2023**

**Unit: NT\$ thousand**

	Capital Stock - Common Shares	Capital Surplus	Retained Earnings			Total	Other Equity Items			Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings		Exchange Differences on Translation of Financial Statements of Foreign Operations	Gains (losses) on investments in equity instruments at fair value through other comprehensive income	Others	
<b>Balance as of January 1, 2023</b>	\$ 405,210	1,130,866	362,933	5,569	539,726	908,228	(4,776)	-	-	2,439,528
Appropriation and distribution of earnings:										
Appropriation of legal reserve	-	-	37,389	-	(37,389)	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(311,647)	(311,647)	-	-	-	(311,647)
Reversal of special reserve	-	-	-	(793)	793	-	-	-	-	-
Modifications to other capital reserves:										
Receipt of donation	-	28	-	-	-	-	-	-	-	28
Net income for the period	-	-	-	-	347,984	347,984	-	-	-	347,984
Other comprehensive income for the period	-	-	-	-	(581)	(581)	(1,869)	-	(669)	(3,119)
Total comprehensive income for the period	-	-	-	-	347,403	347,403	(1,869)	-	(669)	344,865
Cash capital increase	40,000	458,750	-	-	-	-	-	-	-	498,750
Share-based payment transactions	-	12,344	-	-	-	-	-	-	-	12,344
Balance as of December 31, 2023	445,210	1,601,988	400,322	4,776	538,886	943,984	(6,645)	-	(669)	2,983,868
Appropriation and distribution of earnings:										
Appropriation of legal reserve	-	-	34,740	-	(34,740)	-	-	-	-	-
Appropriation of special reserve	-	-	-	1,869	(1,869)	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(311,647)	(311,647)	-	-	-	(311,647)
Net income for the period	-	-	-	-	359,688	359,688	-	-	-	359,688
Other comprehensive income for the period	-	-	-	-	292	292	2,980	(33,258)	-	(29,986)
Total comprehensive income for the period	-	-	-	-	359,980	359,980	2,980	(33,258)	-	329,702
<b>Balance as of December 31, 2024</b>	<b>\$ 445,210</b>	<b>1,601,988</b>	<b>435,062</b>	<b>6,645</b>	<b>550,610</b>	<b>992,317</b>	<b>(3,665)</b>	<b>(33,258)</b>	<b>(669)</b>	<b>3,001,923</b>

(Please refer to the notes of the Consolidated Financial Statements)

Chairman: Lee Chung-Liang

Executive: Chen Kuo-Shih

Chief Accountant: Chang Yaw-Yuan

**Hi-Clearance Inc. and Subsidiaries**  
**Consolidated Statements of Cash Flows**  
**January 1 to December 31, 2024 and 2023**

	Unit: NT\$ thousand	
	2024	2023
<b>Cash flows from operating activities:</b>		
Income before tax for the period	\$ 455,063	434,305
<b>Adjustment items:</b>		
Adjustments to reconcile profit (loss)		
Depreciation expenses	162,331	151,174
Amortization expenses	16,623	13,583
Expected credit loss	1,076	8,696
Gain on financial assets at fair value through profit or loss	(3,544)	(596)
Interest expenses	13,812	12,440
Interest income	(10,038)	(11,555)
Share-based remuneration cost	-	12,344
Share of profit of associates and joint ventures accounted for using the equity method	(11,763)	(10,626)
Loss (gain) on disposal of property, plant, and equipment	3,408	(608)
Gains on lease modifications	(896)	(44)
Derecognition of provisions	-	(402)
Total adjustments to reconcile profit (loss)	171,009	174,406
Changes in operating assets and liabilities:		
Decrease in financial assets at fair value through profit or loss	32,728	68
Decrease (increase) in notes receivable	43,781	(19,116)
Increase (decrease) in accounts and financial leases receivable	(49,942)	(69,022)
Decrease in accounts receivable - related parties	25,276	29,426
Decrease (increase) in other receivables	(1,595)	4,784
Decrease (increase) in inventory	(63,933)	57,470
Decrease (increase) in prepayments	45,920	(31,093)
Decrease (increase) in other current assets	3,595	(3,356)
Increase in other financial assets	(49,207)	(16,630)
Increase in operating assets	(7,210)	(1,544)
Total net changes in assets related to operating activities	(20,587)	(49,013)
Decrease in financial liabilities at fair value through profit or loss	(19)	(489)
Increase in contractual liabilities	13,893	6,394
Decrease in notes payable	(1,261)	(104)
Decrease in accounts payable	(25,474)	(18,619)
Increase (decrease) in payables to related parties	(1,262)	970
Decrease in other payables	(9,987)	(11,391)
Decrease in other payables - related parties	(939)	(7,247)
Increase in other current liabilities	574	10,473
Increase (decrease) in net defined benefit liabilities	50	(5,606)
Total net changes in liabilities related to operating activities	(24,425)	(25,619)
Total net changes in assets and liabilities related to operating activities	(45,012)	(74,632)
Total adjustment items:	125,997	99,774
Cash inflows from operations	581,060	534,079
Interest received	10,038	11,555
Interest paid	(13,812)	(12,440)
Income tax paid	(67,167)	(99,706)
<b>Net cash inflow from operating activities</b>	510,119	433,488
<b>Cash flows from investing activities:</b>		
Acquisition of financial assets at fair value through other comprehensive income	(45,000)	-
Acquisition of property, plant, and equipment	(243,241)	(41,044)
Disposal of property, plant, and equipment	4,392	2,917
Increase in refundable deposits	(62,862)	(48,379)
Decrease in refundable deposits	52,292	39,056
Intangible asset acquisition	(1,831)	(2,381)
Prepaid intangible assets	(45,714)	-
Increase in prepayments for equipment	(39,500)	(20,906)
Dividends received from affiliated companies	4,274	4,289
<b>Net cash outflow from investing activities</b>	(377,190)	(66,448)
<b>Cash flows from financing activities:</b>		
Increase in short-term loans	1,967,987	1,111,565
Decrease in short-term loans	(1,691,565)	(1,515,332)
Repayments of long-term loans	(12,781)	-
Increase in guarantee deposits received	12,109	12,269
Decrease in guarantee deposits received	(12,269)	(12,109)
Lease principal payment	(74,159)	(71,936)
Cash dividends paid	(311,647)	(311,647)
Cash capital increase	-	498,750
<b>Net cash outflow from financing activities</b>	(122,325)	(288,440)
Effects of exchange rate changes on the balance of cash held in foreign currencies	3,124	(1,683)
<b>Increase in cash and cash equivalents during the period</b>	13,728	76,917
<b>Cash and cash equivalents at beginning of period</b>	401,137	324,220
<b>Cash and cash equivalents at end of period</b>	<u>\$ 414,865</u>	<u>401,137</u>

(Please refer to the notes of the Consolidated Financial Statements)

**Chairman: Lee Chung-Liang**

**Executive: Chen Kuo-Shih**

**Chief Accountant: Chang Yaw-Yuan**



## Attachment 5.

Comparison Table of Amended Articles of Incorporation

Before amendment		After amendment		Remarks
Article	Content	Article	Content	
Article XX	<p>The Company shall, after deducting compensation for employees and directors from the net profits before tax of the current year, reserve the remaining profits to cover the accumulated loss. Any remaining balance, if applicable, should be distributed with a minimum of 1% as compensation for employee and a maximum of 3% as compensation for directors.</p> <p>A resolution regarding the determination of the ratio of employee remuneration to director remuneration, and the payment of employee remuneration in the form of stocks or cash, shall be adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors and shall be reported to the shareholders' meeting.</p> <p>The counterparties to whom employee rewards are distributed in cash or stock include the employees of the Company's subordinate companies that meet certain criteria.</p>	Article XX	<p>The Company shall, after deducting compensation for employees and directors from the net profits before tax of the current year, reserve the remaining profits to cover the accumulated loss. Any remaining balance, if applicable, should be distributed with a minimum of 1% as compensation for employee and a maximum of 3% as compensation for directors.</p> <p><u>At least 30% of the employee compensation mentioned above should be allocated to frontline employees.</u></p> <p>A resolution regarding the determination of the ratio of employee remuneration to director remuneration, and the payment of employee remuneration in the form of stocks or cash, shall be adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors and shall be reported to the shareholders' meeting.</p> <p>The counterparties to whom employee rewards are distributed in cash or stock include the employees of the Company's subordinate companies that meet certain criteria.</p>	<p>In accordance with Article 14, Paragraph 6 of the Securities and Exchange Act, it is stipulated that companies with stocks listed on the stock exchange or traded over-the-counter must specify in their articles of incorporation the allocation of a certain percentage of annual profits for adjusting salaries or distributing compensation to grassroots employees.</p>
Article XXV	<p>Article XXV:</p> <p>The Articles of Incorporation were established on January 31, 1989.....</p> <p>.....</p> <p>The twenty-eighth amendment was made on June 22, 2022.</p> <p>The twenty-ninth amendment was made on May 29, 2024.</p>	Article XXV	<p>Article XXV:</p> <p>The Articles of Incorporation were established on January 31, 1989.....</p> <p>.....</p> <p>The twenty-ninth amendment was made on May 29, 2024.</p> <p><u>The thirtieth amendment was made on May 26, 2025.</u></p>	<p>Date of Article Addition/ Revision</p>

## **Appendix 1.**

# **Articles of Incorporation of Hi-Clearance Inc.**

## **Chapter 1. General Principles**

Article 1: The Company has been incorporated under the Company Act. The name of the Company is Hi-Clearance Inc.

Article 2: The scope of business of the Company shall be as follows:

1. F102170 Wholesale of Foods and Groceries
2. F102180 Wholesale of Alcohol
3. F104110 Wholesale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories
4. F106020 Wholesale of Daily Commodities
5. F107030 Wholesale of Cleaning Supplies
6. F107990 Wholesale of Other Chemical Products
7. F108021 Wholesale of Western Medicine
8. F108031 Wholesale of Medical Devices
9. F109070 Wholesale of Culture, Education, Musical Instruments and Educational Entertainment Supplies
10. F111090 Wholesale of Building Materials
11. F113010 Wholesale of Machinery
12. F113020 Wholesale of Electrical Appliances
13. F113030 Wholesale of Precision Instruments
14. F113050 Wholesale of Computers and Clerical Machinery Equipment
15. F113060 Wholesale of Measuring Instruments
16. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories
17. F119010 Wholesale of Electronic Materials
18. F203010 Retail Sale of Food, Grocery and Beverage
19. F203030 Retail Sale of Alcohol
20. F204110 Retail Sale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories

21. F206020 Retail Sale of Daily Commodities
22. F207030 Retail Sale of Cleaning Supplies
23. F207990 Retail Sale of Other Chemical Products
24. F208021 Retail of Western Medicine
25. F208031 Retail Sale of Medical Apparatus
26. F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies
27. F211010 Retail Sale of Building Materials
28. F213010 Retail Sale of Electrical Appliances
29. F213030 Retail Sale of Computers and Clerical Machinery Equipment
30. F213040 Retail Sale of Precision Instruments
31. F213050 Retail Sale of Measuring Instruments
32. F213080 Retail Sale of Machinery and Tools
33. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories
34. F219010 Retail Sale of Electronic Materials
35. F401010 International Trade
36. F401181 Measuring Instruments Import
37. J202010 Industry Innovation and Incubation Services
38. CF01011 Medical Devices Manufacturing
39. EZ05010 Instrument and Meters Installation Engineering
40. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Company has established its head office New Taipei City, R.O.C. (Taiwan) and may, when necessary, establish branches domestically or abroad.

Article 4: The Company may conduct investment which is necessary for its business operations, and may act as a shareholder with limited liability of another company by the resolution of the Board of Directors. The total amount of the Company's investment shall not be subject to the restriction of the total amount of the investment provided in Article 13 of the Company Act.

Article 5: The Company may provide guarantees for its affiliated companies as necessary for their business operations.

## Chapter 2. Shares

- Article 6: The total capital of the Company shall be in the amount of NT\$80 million, divided into 8 million shares, which of par value is NT\$10 per share. The unissued shares are authorized to be issued in installments by the Board of Directors.
- Article 7: The stock certificates of the Company shall be in a name-bearing form, and issued by the signature or seal of the director representing the Company, and certified in accordance with the law. In accordance with Article 162-2 of the Company Act, the company may opt not to print stock certificates, but must register with a securities depository institution.
- Article 8: The handling of the Company's stock affairs shall comply with the Company Act and the "Regulations Governing the Administration of Shareholder Services of Public Companies" issued by the competent authority, as well as relevant laws and regulations.

## Chapter 3. Shareholders' Meeting

- Article 9: Meetings of the shareholders are of two kinds: annual general meeting and extraordinary general meeting. Annual general meeting meetings shall be held at least once a year and shall be convened within six months after the close of each fiscal year in accordance with the law. Extraordinary general meetings shall be held according to the law when necessary.
- Article 10: Shareholders who are unable to attend the shareholders' meeting may issue a proxy letter authorized by the Company specifying the scope of authorization for a proxy to attend on their behalf. The method for shareholders to authorize attendance is governed by the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies," in addition to Article 177 of the Company Act.
- Article 11: Each share of the Company's stock entitles the shareholder to one vote, except as provided in Article 179 of the Company Act.
- Article 12: Except as otherwise provided in the Company Act, the adoption of a proposal in a shareholders' meeting shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders, and the attending shareholders require the representation of a majority of the all shares issued by Hi-Clearance Inc.

## Chapter 4. Director

- Article 13: The Company shall have a Board of Directors consisting of nine to twelve members, elected by the shareholders' meeting from individuals with legal capacity, for a term of three years. Directors may be re-elected.

According to Article 14-2 of the Securities and Exchange Act, the number of individual directors shall not less than two and shall not less than one-fifth of the total number of

directors. The nomination of candidates shall be conducted through a candidate nomination system, with independent candidates elected by the shareholders from the roster of director candidates. The nomination process shall be conducted in accordance with Article 192-1 of the Company Act. The election of directors in the Company shall be conducted through a candidate nomination system, and the election procedures shall be governed by the "Rules for Election of Directors" of the Company. Any amendments to the Rules shall be included in the agenda of the shareholders' meeting, along with a comparison table outlining the revisions to the Rules.

Article 14: The Board of Directors may establish other functional committees, the rules of which shall be determined by the Board of Directors. The Board of Directors establishes an Audit Committee, composed of all independent directors, with no fewer than three members, one of whom serves as the convener, and at least one of whom should have expertise in accounting or finance. The responsibilities, organizational rules, exercise of authority, and other matters to be complied with by the Audit Committee shall be handled in accordance with relevant laws or company regulations. The establishment of the Audit Committee shall simultaneously abolish the Supervisor and any relevant provisions regarding the Supervisor in these Articles of Incorporation.

Article 15: The Board of Directors shall be organized by the directors. The Chairman of the Board shall be elected by two-thirds or more of the directors present, with the consent of the majority of the directors in attendance. The Chairman shall externally represent the Company.

Article 16: In case the or an executive director is on leave or unable to exercise his/her functional duties for any reason, their proxy shall act in accordance with Article 208 of the Company Act. In case directors are unable to attend Board of Directors' meetings due to unforeseen circumstances, they may authorize another director to attend on their behalf in accordance with Article 205 of the Company Act.

Article 17: When the directors of the Company perform the Company's business, the Company may provide remuneration regardless of the Company's operating profit or loss. The remuneration shall be determined by the Board of Directors based on their level of participation and contribution to the Company's operation, and with reference to the usual standards in the industry.

## Chapter 5. Managerial officer

Article 18: The Company may have a managerial personnel. Appointment, discharge and remuneration of the managerial personnel shall be decided in accordance with Article 29 of the Company Act.

## Chapter 6. Accounting

Article 19: At the end of each fiscal year, the Board of Directors shall prepare Business Report, Financial Statements, Motion for allocation of earnings and covering loss and send them to the annual meeting of shareholders for their recognition.

Article 20: The Company shall, after deducting compensation for employees and directors from the net profits before tax of the current year, reserve the remaining profits to cover the accumulated loss. Any remaining balance, if applicable, should be distributed with a minimum of 1% as compensation for employee and a maximum of 3% as compensation for directors. A resolution regarding the determination of the ratio of employee remuneration to director remuneration, and the payment of employee remuneration in the form of stocks or cash, shall be adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors and shall be reported to the shareholders' meeting. The counterparties to whom employee rewards are distributed in cash or stock include the employees of the Company's subordinate companies that meet certain criteria.

Article 21: If the Company has earnings according to its annual fiscal accounting, they shall be distributed in the following order:

1. Taxes shall be paid first.
2. Make up all past losses.
3. Set aside 10% as legal reserve.
4. Appropriate or reverse special reserves as required by law or the competent authority.
5. The remaining balance is added to the undistributed profits of previous years as surplus available for distribution, and the Board of Directors drafts a distribution proposal and submit it to the shareholders' meeting for resolution.

Article 22: The Company is currently in a period of business growth, with dividend policy prioritizing consideration of the Company's future development and financial condition, while also ensuring a reasonable return for shareholders. The amount distributed as dividends and bonuses to shareholders shall not be less than fifty percent of the distributable earnings for the year, with at least fifty percent of this amount being in the form of cash dividends.

## Chapter 7. Miscellaneous

Article 23: Any matters not provided herein shall be subject to the Company Act.

Article 24: In the event that the Company plans to revoke its public company status, the revocation shall be subject to a resolution of the shareholders' meeting. This provision shall not be modified when the stocks of the Company are registered with the Emerging Stock Market or the Company is listed on a stock exchange.

Article 25: The Articles of Incorporation were established on January 31, 1989.

The first amendment was made on August 20, 1990.

The second amendment was made on October 20, 1990.

The third amendment was made on June 26, 1993.

The fourth amendment was made on September 1, 1993.

The fifth amendment was made on August 2, 1994.

The sixth amendment was made on June 24, 1995.

The seventh amendment was made on August 30, 1995.

The eighth amendment was made on October 5, 1996.

The ninth amendment was made on March 24, 2000.

The tenth amendment was made on September 28, 2000.

The eleventh amendment was made on November 20, 2000.

The twelfth amendment was made on February 23, 2001.

The thirteenth amendment was made on April 12, 2002.

The fourteenth amendment was made on June 30, 2003.

The fifteenth amendment was made on August 21, 2003.

The sixteenth amendment was made on June 26, 2004.

The seventeenth amendment was made on June 20, 2006.

The eighteenth amendment was made on June 20, 2007.

The nineteenth amendment was made on October 23, 2007.

The twentieth amendment was made on June 27, 2008.

The twenty-first amendment was made on June 9, 2009.

The twenty-second amendment was made on June 29, 2010.

The twenty-third amendment was made on June 21, 2012.

The twenty-fourth amendment was made on June 2, 2016.

The twenty-fifth amendment was made on June 21, 2019.

The twenty-sixth amendment was made on June 12, 2020.

The twenty-seventh amendment was made on July 6, 2021.

The twenty-eighth amendment was made on June 22, 2022.

The twenty-ninth amendment was made on May 29, 2024.

## **Appendix 2.**

### **Hi-Clearance Inc.**

#### **Rules of Procedure for Shareholders' Meetings**

- (I) To establish a strong governance system and sound supervisory capabilities for Hi-Clearance's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.
- (II) The rules of procedures for Hi-Clearance's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.
- (III) Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the board of directors.

For the convening of the annual general meeting, an agenda handbook shall be prepared and notice shall be given to each shareholder 30 days in advance. For shareholders holding less than one thousand registered shares, notice may be given through public announcement on the Market Observation Post System (MOPS) 30 days in advance. For the convening of an extraordinary general meeting, notice shall be given to each shareholder 15 days in advance. For shareholders holding less than one thousand registered shares, notice may be given through public announcement on the MOPS 15 days in advance. In addition, at least 15 days before the date of the shareholders' meeting, Hi-Clearance Inc. shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on site at the venue of the meeting.

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



Where re-election of all directors 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 extempore motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit a written proposal for discussion to the Company at an annual shareholders' meeting. The number of items so proposed, however, is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. Nevertheless, a shareholder proposal for urging Hi-Clearance Inc. to promote public interests or fulfill its social responsibilities may still be included in the agenda by the board of directors. In addition, when the circumstances of any subparagraph under Paragraph 4, Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

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

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

Prior to the issuance of the notice for a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the results of the proposal screening and include in the meeting notice the proposals that comply with the provisions of this article. At the shareholders' meeting, the board of directors shall specify the reasons for excluding any shareholders' proposals from the meeting agenda.

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

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company at least five days before the date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail. However, a declaration made to cancel the previous proxy appointment is not subject to the aforementioned rule.

After submitting a proxy form to the Company, if a shareholder wishes to attend the meeting in person or vote by mail or electronically, they must provide written notice to the Company to cancel the proxy at least one day before the meeting date. If the cancellation is made after this deadline, the votes cast by the proxy will prevail.

- (V) The place for convening a shareholders meeting shall be held inside the premises of the Company, or any other place convenient for presence of shareholders, and suitable

for holding of the said meeting. The time for commencing the said meeting shall not be earlier than 9 o'clock in the morning or later than 3 o'clock in the afternoon.

- (VI) The Company shall prepare an attendance book for attending shareholders or a proxy appointed by shareholder (hereinafter referred to as "shareholders") to sign in or attending shareholders may hand in a sign-in card in lieu of signing in.

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

Shareholders and their proxies (hereinafter referred to as "shareholders") shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting.

When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

- (VII) The board meetings shall be convened and chaired by the chairman. In case the chairman of the board of directors is on leave or absent or can not exercise his power and authority for any cause, the vice chairman shall act on his behalf. In case there is no vice chairman, or the vice chairman is also on leave or absent or unable to exercise his power and authority for any cause, the chairman of the board of directors shall designate one of the managing directors, or where there is no managing directors, one of the directors to act on his behalf. In the absence of such a designation, the managing directors or the directors shall elect from among themselves an acting chairman of the board of directors.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, at least one supervisor in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes. If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

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

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

- (VIII) Hi-Clearance shall make an uninterrupted audio or video recording of the entire

proceedings of the shareholders meeting, and the recorded materials shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

- (IX) Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in.

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

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

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

- (X) If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extempore motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

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

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

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed

sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

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

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

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

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

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

- (XII) Voting at a shareholders' meeting shall be calculated based the number of shares.

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

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

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

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

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

Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the adoption of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.

At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders.

When the Company holds a shareholders' meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person. However, with respect to the extempore motions and revisions to the original proposals of that meeting, the said shareholder will be considered to have waived his/her rights. Hi-Clearance Inc. is therefore advised to avoid submission of extempore motions and revision to the original proposals.

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

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

Vote counting for shareholders' meeting shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting shall be announced on-site at the meeting, and a record made of the vote.

- (XIV) The election of directors or supervisors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by Hi-Clearance Inc., and the voting results shall be announced on-site immediately

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

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

Hi-Clearance may distribute the meeting minutes and shall be handled in accordance with the Company Act.

The meeting minutes shall accurately record the year, month, day, and place of the

meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of this Corporation.

If no attending shareholder voices objection following an inquiry by the chair to the aforementioned methods by which resolutions were adopted, it shall be recorded as "Passed unanimously after inquiry with all attending shareholders by the chair." However, if any attending shareholder voices objection, the voting method, the number of votes, and the ratio of votes to the total voting rights shall be recorded.

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

The chair may direct the proctors or security personnel to help maintain order at the meeting venue. When proctors or security personnel help maintain order at the meeting venue, they shall wear an identification card or armband bearing the word "Proctor." At the venue of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.

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

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

If the meeting venue is no longer available for continued use and not all of the items (including extempore motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue. A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

- (XVIII) The Rules shall be implemented after having been resolved by the board of directors and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.

## **Appendix 3.**

### **Hi-Clearance Inc.**

#### **Regulations for Board of Directors Elections**

- Article 1: The rules for election of Company directors, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.
- Article 2: The election of the Company's directors is conducted at the shareholders' meeting.
- Article 3: The election of the Company's directors should consider the overall composition of the board. Board members should generally possess the necessary knowledge, skills, and qualities required for their duties. The overall competencies they should have are as follows:
1. Ability to make sound business judgments.
  2. Ability to perform accounting and financial analysis.
  3. Ability to manage a business.
  4. Ability to handle crisis management.
  5. Knowledge of the industry.
  6. An international market perspective.
  7. Leadership skills.
  8. Decision-making ability.
- Article 4: The election of the Company's directors (including independent directors) shall adopt a candidate nomination system, as specified in the Articles of Incorporation, with shareholders selecting from the list of director (including independent director) candidates.

Prior to the book closure date before an annual shareholders' meeting is held, the Company shall publicly announce the nomination period for directors (including independent directors), the location and time period for their submission, and other items that need to be known; the period for submission of shareholder proposals may not be less than 10 days.

The Company's Board of Directors or shareholders holding more than 1% of the total issued shares may submit a written list of candidates for the next election of directors (including independent directors) as a reference for the selection of directors (including independent directors).

However, the number of nominees must not exceed the number of directors (including independent directors) to be elected; the same applies to the number of director (including independent director) candidates nominated by the board.

When the Board of Directors provides a list of director candidates (including independent directors) as mentioned above, they may also provide information on the candidates' education, experience, number of shares held, and the names of the government or legal entities they represent. Independent directors may also provide relevant information demonstrating their independence for shareholders' reference.

Article 5: The election of the Company's directors is conducted using a cumulative voting system with signed ballots. Voters may use the printed attendance certificate number or shareholder account number on the ballot as a signature.

Article 6: In the election of the Company's directors, each share carries voting rights equivalent to the number of directors to be elected. The Board of Directors prepares ballots corresponding to the number of directors to be elected and distributes them to the shareholders. The aforementioned voting rights may be concentrated to elect one person or distributed to elect multiple people.

When preparing ballots, the Board of Directors should include the number of voting rights, and may include the shareholder account number if necessary.

Article 7: The directors of the Company are elected by the shareholders from candidates with legal capacity, in accordance with the Company's Articles of Incorporation.

The designated positions will be filled by candidates receiving the highest number of votes. In the event of a tie among two or more candidates exceeding the number of available positions, the tie will be resolved by drawing lots. If a candidate is absent, the chairperson will draw on their behalf.

Article 8: Before the election begins, the chairperson shall appoint several shareholders as ballot inspectors and vote counters to perform the relevant duties.

The ballot box, prepared by the Board of Directors, will be publicly opened and inspected by the scrutineers before voting.

Article 9: If the candidate is a shareholder, the voter must fill in the candidate's name in the designated area on the ballot and may also include the shareholder account number. For non-shareholders, the name and identification document number of the nominee must be clearly stated. When the government or a juridical entity is the candidate, the candidate name field on the ballot should list the name of the government or juridical entity. It may also include the name of the representative. If there are multiple representatives, each representative's name should be added separately.



Article 10: The votes for directors are counted separately for independent and non-independent directors, with each category electing its own members.

Article 11: A ballot is considered invalid if any of the following conditions are met:

1. The ballot is not in accordance with these regulations.
2. The ballot as cast into the ballot box is blank.
3. The ballot contains illegible handwriting or altered text.
4. The nominee is a shareholder and their account number does not match the shareholder register, or the nominee is not a shareholder and their name and identification document number do not match upon verification.
5. Additional text beyond the nominee's account name (full name), shareholder account number (identification document number), and allocated voting rights is included.
6. The names and shareholder account numbers (identification document numbers) of the selected candidates have not been filled in for identification purposes.
7. The same ballot lists two or more candidates for election.
8. The ballot is not completed in accordance with the stipulations outlined in the remarks section.

Article 12: Vote counting is overseen by inspectors, and the results will be announced on the spot by the chairperson.

Article 13: Failure to comply with Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act will result in the election being invalidated.

Article 14: The elected directors will be issued a notification of election by the Company's Board of Directors.

Article 15: These regulations, once approved by the Board of Directors, shall be implemented upon approval by the shareholders' meeting. The same procedure applies to any amendments. If any director expresses dissent and there is a record or written statement, the dissenting information from that director should be communicated to each independent director. The opinions of each independent director should be fully considered, and their agreements or objections, along with the reasons, should be included in the meeting minutes.

## Appendix 4.

### Announcement of Candidates for Directors (Including Independent Directors)

Nomination Title	Candidate Name	Educational Background	Experience (Education)	Current Position	Number of Shares Held as of March 28, 2025
Director	Collins Co., Ltd. Representative: John Lee	EMBA, Department of Economics, Department of International Business, National Taiwan University	Chairman of Witty Mate Corporation and Chairman of EverFocus Co., Ltd.	The Company: Chairman Other Companies: Chairman of Collins Co., Ltd.; Chairman of Collins High-Tech Co., Ltd.; Chairman of Jesco International Co., Ltd.; Chairman of Hi-Clearance Investment Co., Ltd.; Chairman of GrowTrend Biomedical Co., Ltd.; Director of Collins (BVI) International Co., Ltd.; Director of Commend Hong Kong Ltd.; Director of Commend Holdings Ltd.; Director of Kao Lin International Co., Ltd.; Director of Quality Craft Ltd.; Director of Colltex Garment MFY (HK) Co., Ltd.; Director of QS Control Corp.; Director of Minoshin International Co., Ltd.; Chairman of Sin Hwa Investment Co., Ltd.; Chairman of HC-Healthcare Co., Ltd.; Director of Aerovision Avionics Inc.; Director of Throuete Corp.; Chairman of VIE Longue Biotech Inc.; Director of J&V	2,385,536 *0

<b>Nomination Title</b>	<b>Candidate Name</b>	<b>Educational Background</b>	<b>Experience (Education)</b>	<b>Current Position</b>	<b>Number of Shares Held as of March 28, 2025</b>
				Energy Technology Co., Ltd.; Director of Axman Enterprise Co., Ltd.; Chairman of Yukuang Energy Co., Ltd.; Chairman of Collins Energy Solutions Co., Ltd.; Chairman of CESone Co., Ltd.; Director of San-He Health Co., Ltd.; Director of DV Biomed Co., Ltd.; Chairman of Pudeng Solar Energy Enterprise Co., Ltd.; Chairman of Collins Jubilee Energy and Technology Co., Ltd.; Chairman of Tuosen Energy Co., Ltd.	
<b>Director</b>	Collins Co., Ltd. Representative: Li, Pei-Chang	Master of Architecture, Harvard University	Architect at Oriel Design Inc.; Director at Collins Co., Ltd.	The Company: None. Other Companies: Director of Jing Shing Investment Corp	2,385,536 *0
<b>Director</b>	Hi-Clearance Investment Co., Ltd. Representative: Wu, Kuo-Cheng	Department of Electrical Engineering, Kuang Wu Industry Junior College	Manager of the South Business Department of Hi-Clearance Inc.	The Company: Senior Manager, Dental Materials Department Other Companies: None	36,379
<b>Director</b>	Hi-Clearance Investment Co., Ltd. Representative: Chen, Ping-Chang	Master of Business Administration, Chinese University of Hong Kong;	Executive Vice President of Hsin Yang Ming Hospital ; Chairman of Renalysis	The Company: None Other Companies: Director and President of Renalysis Medical Care Co., Ltd.; Director of Sin Hwa Investment Co., Ltd.; Supervisor of HC-Healthcare Co.,	6,519,991 *710,443

<b>Nomination Title</b>	<b>Candidate Name</b>	<b>Educational Background</b>	<b>Experience (Education)</b>	<b>Current Position</b>	<b>Number of Shares Held as of March 28, 2025</b>
		Master of Business Administration, Chang Gung University	Medical Care Co., Ltd.	Ltd.	
<b>Director</b>	Hi-Clearance Investment Co., Ltd. Representative: Hsieh, Chih-Fu	Master's Program in Electronic Commerce at Feng Chia University	Manager of the Business Department, Renalysis Medical Care Co., Ltd.	The Company: Vice President of Hemodialysis Operations Other Companies: Director of Renalysis Medical Care Co., Ltd.; Director of Sin Hwa Biotech Co., Ltd.; Director of HC-Healthcare Co., Ltd.	6,519,991 *206,227
<b>Director</b>	Zhong Yu Investment Co., Ltd.	----	----	----	42,961
<b>Director</b>	LCL Capital Inc.	----	----	----	3,531,994
<b>Director</b>	Ailishi Co., Ltd.	----	----	----	942,682
<b>Director</b>	Chiang, Ping-Hsun	Department of Information Management, University of Southern California	President of Speedy-Care Ent. Co., Ltd.; Director of Medicare Products Inc.; Director of Hi-Clearance Investment Co., Ltd.	The Company: None Other Companies: Director of Sun-Up Healthcare Co., Ltd.; Chairman of Speedy-Care Ent. Co., Ltd.; Director of Beam International Inc.; Director of United Electric Industry Co., Ltd.; Director of USYNC Inc.; Director of Chien Hsing Investment Co., Ltd.; Chairman of Ding Hsun Investment Co., Ltd.; Director of Global Instrumentation Corp.; Director of Sunrise Care International Co., Ltd.; Director of	1,343,689

<b>Nomination Title</b>	<b>Candidate Name</b>	<b>Educational Background</b>	<b>Experience (Education)</b>	<b>Current Position</b>	<b>Number of Shares Held as of March 28, 2025</b>
				United Aluminum Technology Co., Ltd.	
<b>Director</b>	Chuang, Chien-Yu	Bachelor of Science in Pharmacy from National Yang Ming University; Master of Business Administration in Management from National Chengchi University.	Business Manager of Takeda Pharmaceuticals Taiwan, Inc.; President of Alvogen Co., Ltd.	The Company: Members of the Remuneration Committee, Audit Committee, and Nomination Committee. Other companies: Chairman of Taiwan Oriact Co., Ltd.; Independent Director of CGS International, Inc.; Chairman of Eucare Co., Ltd.; Director of Taiwan Health Promotion Association; Chairman of Youxin Investment Co., Ltd.; Chairman of Dakang New Pharmaceutical Technology Co., Ltd.; Chairman of BioGQ Co., Ltd.; Director of Yiding Investment Co., Ltd.; Chairman of Yuanyou Interior Decoration Co., Ltd.; Director of Baoding Investment Co., Ltd.	0
<b>Director</b>	Chen, Hung-Pin	Department of Pharmacy, Kaohsiung Medical University	President of Eulogiums Co., Ltd.; Director of Microlife Corporation; President of Taiwan Bio Therapeutics Co., Ltd.	The Company: Members of the Remuneration Committee, Audit Committee, and Nomination Committee. Other Companies: Supervising Pharmacist of Taiwan Bio Therapeutics Co., Ltd.	0
<b>Director</b>	Yang, Tzu-Hsuan	Bachelor's degree from	Other companies:	The Company: Members of the Remuneration Committee, Audit	0

<b>Nomination Title</b>	<b>Candidate Name</b>	<b>Educational Background</b>	<b>Experience (Education)</b>	<b>Current Position</b>	<b>Number of Shares Held as of March 28, 2025</b>
		the University of Illinois Urbana- Champaign and Master's degree in Business Administration from National Taiwan University	Special Assistant to the Chairman of Allied Biotech Corp.	Committee, and Nomination Committee. Other Companies: Special Assistant to the Chairman of Allied Biotech Corp.	

## Appendix 5.

### Current Shareholding of Directors

Position	Name	Book closure date: March 28, 2025	
		Shareholding	Shareholding ratio (%)
Chairman	Collins Co., Ltd. Representative: Lee Chung-Liang	2,385,536	5.36%
Director	Collins Co., Ltd. Representative: Lee Hsi-Yuen		
Director	Chen Kuo-Shih	526,125	1.18%
Director	Chiang Ping-Hsun	1,343,689	3.02%
Director	Hi-Clearance Investment Co., Ltd. Representative: Lee Ying-Fen	6,519,991	14.64%
Director	Hi-Clearance Investment Co., Ltd. Representative: Chen Ping-Chang		
Director	Hi-Clearance Investment Co., Ltd. Representative: Hsieh Chih-Fu		
Director	Chung Yu Investment Co., Ltd. Representative	42,961	0.10%
Director	Chih Pin Industrial Co., Ltd. Representative	463,921	1.04%
Independent Director	Chuang Chien-Yu	0	0.00%
Independent Director	Chen Hung-Pin	0	0.00%
Independent Director	Yang Tzyy-Shiuan	0	0.00%
<b>The total number of shares held by all directors</b>		<b>11,282,223</b>	<b>25.34%</b>

Total Issued Shares on June 2, 2016: 35,000,000 shares

Total Issued shares: 44,520,971 shares on March 28, 2025

Note:

※ The minimum required combined shareholding of all directors by law: 3,600,000 shares

The share held by all directors as of March 28, 2025 is 11,662,223 shares. (Adding 380,000 of shares under trust with discretion reserved).