



Power Wind Health Industry Incorporated

2022 Annual Shareholders' Meeting

Minutes (Translation)

Means of convening the meeting: Physical shareholders' meeting

Time: Wednesday, June 1, 2022 at 9:00 a.m.

Place: No. 801, Chongde Rd., Zuoying Dist., Kaohsiung City, Taiwan
(Conference room 102 and 106 in Garden Villa)

Attendance: Total shares represented by shareholders present in person or by proxy were 53,473,832 shares, accounting for 69.05% of the Company's total issued shares 77,435,354 shares (after deducting the 20,000 shares without the voting right in accordance with Article 179 of Company Act).

Directors present: George Chen, John Chen, Yu-Tung Chen (Delegate of Jiayong Investment Development Co., Ltd.), Su-Chi Chang

Independent Directors present: Shang-Pao Yeh, Hsu-Der Liu, Chi-Shan Hung

Chair: George Chen, Chairman

Recorder: Ya-Min Hsu

1. Chair Called the Meeting to Order (The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. Called the meeting to order.)

2. Chair's Address: Omitted.

3. Report Items:

Item 1

Motion:

The Company's 2021 Business report. Please submit for review.

Explanatory note:

2021 Business report, please refer to Attachment 1.

Item 2

Motion:

Audit Committee's review report on 2021 Financial Statements. Please submit for review.

Explanatory note:

Audit Committee's review report, please refer to Attachment 2.

Item 3

Motion:

The Company's 2021 employees' compensation and directors' remuneration. Please submit for review.

Explanatory notes:

1. In accordance with Article 26 of the Articles of Incorporation: If there is annual



profit, the Company shall set aside no less than 1% of said profit as employees' compensation and a maximum of 3% of said profit as directors' remuneration.

2. 2021 Annual loss before tax of the Company is NT\$189,653,772. The Company does not set aside for employees' compensation and directors' remuneration.
3. This proposal has been resolved by the 6th Board of Directors in the 23rd meeting on March 11, 2022.

Item 4

Motion:

To amend the Company's "Procedures for Ethical Management and Guidelines for Conduct." Please submit for review.

Explanatory notes:

1. According to the Company's current situation, some words in the related regulations are amended.
2. The amendment comparison table for "Procedures for Ethical Management and Guidelines for Conduct," please refer to Attachment 3.

Item 5

Motion:

To amend the Company's "Corporate Social Responsibility Best Practice Principles" and rename it as "Sustainable Development Best Practice Principles." Please submit for review.

Explanatory notes:

1. According to the announcement of TWSE-Governance-No.1100024173 released by Taiwan Stock Exchange Corporation (TWSE) on December 7, 2021, the amendments of Title, Article 1 to 5, Article 7 to 10, Article 12, Article 17, Article 28 to 30, and the name of Chapter 5 are effective immediately. In order to follow the international development trend, put the goal of sustainable development into practice, strengthen the implementation of promotion of sustainable development of TWSE/TPEX Listed Companies, improve the quality of the disclosure of information on sustainable development, and accentuate that corporates in R.O.C. take sustainable development seriously and endeavor to put it into practice, TWSE hereby renamed "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies" as "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies." Accordingly, the Company renamed the internal regulation "Corporate Social Responsibility Best Practice Principles" as "Sustainable Development Best Practice Principles" and amended some words in the related regulations.
2. The amendment comparison table for "Sustainable Development Best Practice Principles" (formerly named "Corporate Social Responsibility Best Practice Principles"), please refer to Attachment 4.

Item 6

Motion:

Report on the implementation of repurchasing the Company's own shares. Please submit for review.

Explanatory notes:



1. The proposal of repurchasing the Company's own shares and transferring to employees has been resolved by the 6th Board of Directors in the 12th meeting on May 16, 2021.
2. The implementation of repurchasing the Company's own shares, please refer to Attachment 5.

4. Acknowledgements:

Acknowledgement 1 (Proposed by the Board of Directors)

Motion:

The Company's 2021 Business report, Parent Company Only and Consolidated Financial Statements. Please ratify.

Explanatory notes:

1. The Company's 2021 Parent Company Only and Consolidated Financial Statements have been resolved by the 6th Board of Directors in the 23rd meeting on March 11, 2022, and been duly audited, certified, and issued an audit report with unqualified opinion by independent auditors, Fang-Wen Lee and Shih-Chieh Huang, of Ernst & Young. Meanwhile, the Audit Committee has issued a review report.
2. Above documents are attached. Please refer to Attachment 1, Attachment 6, and Attachment 7. Please ratify.

Resolution:

At the time of voting, the total number of voting rights represented by attending shareholders was 53,469,527 votes.

Voting Results	% of the total number of voting rights
Votes in favor: 53,052,331 votes (including 7,991,183 votes casted electronically)	99.21%
Votes against: 13,941 votes (including 13,941 votes casted electronically)	0.02%
Votes invalid: 0 vote	0.00%
Votes abstained and did not cast: 403,255 votes (including 371,298 votes casted electronically)	0.75%

RESOLVED, that the proposal hereby was accepted as proposed.

Acknowledgement 2 (Proposed by the Board of Directors)

Motion:

The Company's 2021 Loss off-setting proposal. Please ratify.

Explanatory notes:

1. The Company's 2021 Loss off-setting table has been resolved by the 6th Board of Directors in the 24th meeting on April 18, 2022 and been reviewed and issued a review report by the Audit Committee.



2. The Company's 2021 net loss is NT\$142,323,678, plus NT\$134,248 of earnings returned from new restricted employee shares and NT\$15,741,375 of reversal of special reserve. In total, 2021 loss yet to be offset is NT\$126,448,055. To comply with Article 239 of Company Act, it is proposed to use NT\$126,448,055 of legal reserve to offset loss, and the loss yet to be offset at year-end 2021 after offsetting is NT\$0. The Company's 2021 Loss off-setting table is drawn up, please refer to Attachment 8.
3. The Company settles 2021 net loss, and hence it does not propose to distribute dividends of the year.
4. Please ratify.

Resolution:

At the time of voting, the total number of voting rights represented by attending shareholders was 53,469,527 votes.

Voting Results	% of the total number of voting rights
Votes in favor: 53,046,447 votes (including 7,985,299 votes casted electronically)	99.20%
Votes against: 19,845 votes (including 19,845 votes casted electronically)	0.03%
Votes invalid: 0 vote	0.00%
Votes abstained and did not cast: 403,235 votes (including 371,278 votes casted electronically)	0.75%

RESOLVED, that the proposal hereby was accepted as proposed.

5. Discussions:

Discussion 1 (Proposed by the Board of Directors)

Motion:

The Company proposes to distribute cash from capital surplus. Please proceed to discuss.

Explanatory notes:

1. To meet the operational requirements, the Company hereby proposes to set aside NT\$100,000,000 from Capital surplus - additional paid-in capital in excess of par - common stocks to distribute cash to shareholders based on the original ratio of shareholdings, which is in compliance with Article 241 of Company Act.
2. Based on the Company's total number of shares outstanding 77,455,354 shares on April 18, 2022, it proposes to distribute NT\$1.29106633 per share in cash. After this proposal is resolved by the Shareholders' Meeting, the Board of Directors shall be authorized to set the ex-dividend date and handle the related affairs.
3. The proposal of distributing cash from capital surplus is calculated based on the Company's total number of shares outstanding 77,455,354 shares on April 18, 2022. If the capital of the Company changes hereafter and thus, the total number



of shares outstanding is affected, which resulting in the changes of dividend payout ratio, it is proposed for the Shareholders' Meeting to authorize the Board of Directors to fully handle related affairs to such adjustments.

4. While distributing cash from capital surplus, the fractional dividends which are less than one dollar will be transferred to the Employee Welfare Committee.
5. Please proceed to discuss.

Resolution:

At the time of voting, the total number of voting rights represented by attending shareholders was 53,469,527 votes.

Voting Results	% of the total number of voting rights
Votes in favor: 53,044,703 votes (including 7,983,555 votes casted electronically)	99.20%
Votes against: 23,029 votes (including 23,029 votes casted electronically)	0.04%
Votes invalid: 0 vote	0.00%
Votes abstained and did not cast: 401,795 votes (including 369,838 votes casted electronically)	0.75%

RESOLVED, that the proposal hereby was accepted as proposed.

Discussion 2 (Proposed by the Board of Directors)

Motion:

To amend some articles in the Company's "Rules for Election of Directors." Please proceed to discuss.

Explanatory notes:

1. According to the Company's current situation, some words in the related regulations are amended.
2. The amendment comparison table for "Rules for Election of Directors," please refer to Attachment 9.
3. Please proceed to discuss.

Resolution:

At the time of voting, the total number of voting rights represented by attending shareholders was 53,469,527 votes.

Voting Results	% of the total number of voting rights
Votes in favor: 53,049,443 votes (including 7,988,295 votes casted electronically)	99.21%



Voting Results	% of the total number of voting rights
Votes against: 16,984 votes (including 16,984 votes casted electronically)	0.03%
Votes invalid: 0 vote	0.00%
Votes abstained and did not cast: 403,100 votes (including 371,143 votes casted electronically)	0.75%

RESOLVED, that the proposal hereby was accepted as proposed.

Discussion 3 (Proposed by the Board of Directors)

Motion:

To amend some articles in the Company's "Procedures for Acquisition and Disposal of Assets." Please proceed to discuss.

Explanatory notes:

1. In accordance with the regulations in FSC-Securities-Listed-No.1110380465 released by Financial Supervisory Commission (FSC) on January 28, 2022, the amendment of some articles in "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" came into force on the day of promulgation (January 28, 2022). To comply with the amendment, it is proposed to amend some articles in the Company's "Procedures for Acquisition and Disposal of Assets."
2. The amendment comparison table for "Procedures for Acquisition and Disposal of Assets," please refer to Attachment 10.
3. Please proceed to discuss.

Resolution:

At the time of voting, the total number of voting rights represented by attending shareholders was 53,469,527 votes.

Voting Results	% of the total number of voting rights
Votes in favor: 53,043,189 votes (including 7,982,041 votes casted electronically)	99.20%
Votes against: 21,293 votes (including 21,293 votes casted electronically)	0.03%
Votes invalid: 0 vote	0.00%
Votes abstained and did not cast: 405,045 votes (including 373,088 votes casted electronically)	0.75%

RESOLVED, that the proposal hereby was accepted as proposed.



Discussion 4 (Proposed by the Board of Directors)

Motion:

The Company proposes to issue 2022 1st new restricted employee shares. Please proceed to discuss.

Explanatory notes:

1. In order to attract and retain the professional talents the Company requires, encourage employees and enhance their cohesion, increase the competitiveness and jointly create the biggest benefit for the Company and shareholders, the Company hereby proposes to issue 2022 1st new restricted employee shares in accordance with Article 267 of "Company Act," and related regulations in "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" (hereinafter "the Regulations").
2. The contents of the new restricted employee shares are proposed as below:
 - (1) Total amount of issuance:
2,000,000 shares in total, with par value of NT\$10 per share. The total amount of issuance is NT\$20,000,000.
 - (2) Type of issued shares: The Company's common shares.
 - (3) Price of issuance:
Issue at a price not below (inclusive) NT\$30 per share. After it is resolved by the Shareholders' Meeting, the Board of Directors is authorized to determine the actual issue price on the issue date.
 - (4) Vesting conditions:
Employees meet the job tenure and performance criteria in compliance with "Issuance Rules of New Restricted Employee Shares," and did not violate laws and regulations, the Service agreement, Commitment letter and work rules of the Company, Code of Business Conduct and Ethics, and related rules and agreements.
 - (5) Measures to be taken when employees fail to meet the vesting conditions or in the event of inheritance:
When employees granted the new restricted employee shares fail to meet vesting conditions, the Company shall buy back all the shares with issue price and cancel the shares, unless provided by "Issuance Rules of New Restricted Employee Shares" otherwise.
 - (6) Qualification criteria for employees and the number of shares entitled to grant or subscribe:
It is limited to full-time employees, who work officially on the date the new restricted employee shares are granted, of the Company and controlling or subordinate company. The employees who are entitled to subscribe and the number of shares to be granted shall be determined by the Chairman, after taking into consideration the factors such as seniority, position, work performance, overall contribution, specific achievements, and other conditions necessary for management. Then, the decision shall be submitted to the Board of Directors for approval.
The number of new restricted employee shares a single employee is entitled to subscribe, plus the number of employee stock warrants such employee is entitled to subscribe, which were issued by the Company in compliance with Article 56-1, paragraph 1 of the Regulations, shall not exceed 0.3% of the total issued shares of



the Company. The above, in combination with the number of employee stock warrants a single employee is entitled to subscribe, which were issued by the Company in compliance with Article 56, paragraph 1 of the Regulations, shall not exceed 1% of the total issued shares of the Company.

(7) Necessary reasons to issue the new restricted employee shares:

To attract and retain the professional talents the Company requires, encourage employees and enhance their cohesion, increase the competitiveness and jointly create the biggest benefit for the Company and shareholders.

3. Calculated expense amount, Dilution of the Company's Earnings per share (EPS) and Other matters affecting shareholder's equity:

(1) Calculated expense amount:

The proposed number of new restricted employee shares in the 2022 Shareholders' Meeting is 2,000,000 shares. On the assumption that the shares are fully issued on December 1, 2022, with NT\$30 per share as subscription price, also considering the vesting period of employees, to recognize related expenses annually during the vesting period. If all employees meet the vesting conditions, the calculated expense amount is estimated to be approximately NT\$200,900 thousand. (The assumption is calculated based on NT\$130.5, which is the average closing price of the Company's common shares from March 3, 2022 to April 15, 2022, 30 business days in total.) According to the vesting conditions, the estimated expense amounts in 2022-2026 are NT\$6,754 thousand, NT\$79,523 thousand, NT\$75,257 thousand, NT\$27,876 thousand and NT\$11,490 thousand, respectively.

(2) Dilution of the Company's EPS and Other matters affecting shareholders' equity:

Based on the Company's total number of shares outstanding 77,455,354 shares on April 18, 2022, the possible influence on EPS in 2022-2026 caused by the aforementioned expense amounts are NT\$0.09, NT\$1.03, NT\$0.97, NT\$0.36 and NT\$0.15, respectively.

The Company continues its business expansion and develops new items of recreational sports. Meanwhile, the original venues maintain growth. In future years, the revenues and profits are expected to keep increasing. The Company needs more talents to meet the foreseeable operational requirements and market competition. As a whole, there is a limited dilution of the Company's EPS in the following years, and there is no material impact on current shareholders' equity.

4. Within one year since the date of receipt for notice of the competent authority's approval and effectiveness, the new restricted employee shares shall be issued at once or in tranches depending on actual demands. The Chairman is authorized to determine the actual issue date.

5. If any revision or adjustment to the conditions of the new restricted employee shares has to be made due to the competent authority's request, amendment to the laws and regulations, financial market conditions, or other objective circumstances, it is proposed for the Shareholders' Meeting to authorize the Board of Directors to fully handle all related issues.

6. With respect to the new restricted employee shares, the relevant restrictions, important agreements, and any other matters not set forth herein shall be dealt



with in accordance with the applicable laws and regulations, and the Company's issuance rules. (Please refer to Attachment 11)

7. Please proceed to discuss.

Resolution:

At the time of voting, the total number of voting rights represented by attending shareholders was 53,469,527 votes.

Voting Results	% of the total number of voting rights
Votes in favor: 52,808,343 votes (including 7,747,195 votes casted electronically)	98.76%
Votes against: 253,404 votes (including 253,404 votes casted electronically)	0.47%
Votes invalid: 0 vote	0.00%
Votes abstained and did not cast: 407,780 votes (including 375,823 votes casted electronically)	0.76%

RESOLVED, that the proposal hereby was accepted as proposed.

6. Extemporary Motions: None.

7. Meeting Adjourned: At 9:24 a.m. on the same day.

Chair: George Chen, Chairman

Recorder: Ya-Min Hsu

(The summary and outcome of the meeting were recorded in the meeting minutes in accordance with the provisions of Article 183, paragraph 4 of Company Act. The meeting video and audio recordings still prevail regarding the meeting content, proceedings, and shareholders' statements.)



Attachment 1.
2021 Business report



Power Wind Health Industry Incorporated

2021 Business report

1. 2021 Business performance

Dear Shareholders and Directors,

Thank you for the favor, support, and encouragement to Power Wind over the past year. In 2021, it was a year of extreme hardship for Power Wind. The COVID-19 outbreak was prompt and urgent. On May 15, 2021, Central Epidemic Command Center (CECC) announced that in response to the worsening COVID-19 epidemic in Taiwan, the COVID-19 alert was raised to Level 3 and took effect immediately. All recreational and entertainment facilities were shut down, including fitness centers (including civil sports centers). All sites of all brands of the Company, including Fitness Factory, Body Workshop, S klub, Crazy Jump, Let's Roll, and KILL ZONE, were shut down on the same day in compliance with the government's epidemic prevention measures. The Level 3 alert was extended four times. Until July 13, 2021, CECC announced that exercise facilities and gyms could resume operations with restrictions. Hence, 39 sites of the Company's "Fitness Factory" resumed operations. However, 12 sites of "Fitness Factory" in Kaohsiung City and Yunlin County and the sites of the Company's other brands were still shut down in compliance with the government's policy until July 26, 2021. CECC announced that the COVID-19 alert was lowered to Level 2 from July 27, 2021, and the un-reopened sites could resume operations.

In 2021, Power Wind suffered from the impact of the unprecedented shutdowns. The operating sites resumed operations in mid-July. A part of the members did not return to gyms to exercise right away, and customers still had concerns about indoor exercise. Also, Delta variant invaded Taiwan. Because of the aforementioned factors, the epidemic continuously affected the Company's Q3 operating conditions. Until mid-October, monthly membership fees were charged again after a five-month pause, and the number of members who applied for membership extension decreased drastically. The operation of each site was finally back on track. During the severe period of the epidemic, it was thanks to all staff who stayed with us, made concerted efforts, and implemented the epidemic prevention measures. Therefore, we opened 7 new operating sites of "Fitness Factory" as scheduled. In 2021, the number of members remained growing. However, operating income was severely affected since the shutdowns and the impact of the pandemic lasted too long. As a result, Power Wind had the first annual loss since it was established.

In 2020, Power Wind showed the superb adaptability to changes and high efficiency during the Covid-19 outbreak. It pioneered the facial recognition system in all sites, which substantially reduced the risk of infection when members entering and exiting without membership cards and cellphones. In addition, the Company purchased infrared thermometers at the first moment. When people enter the sites, the thermometers detect the fevers immediately and accurately, which effectively ensures members' exercise safety. In 2021, the facial recognition system of "Fitness



Factory” is upgraded, and the function of its epidemic prevention is the best in Taiwan. With masks on, members are identified, and the temperatures are taken. In addition, as the leading brand of recreational sports industry in Taiwan, Power Wind never stops innovating when facing a difficult environment. On November 1, 2021, “Fitness Factory” pioneered the “Online Member Service Center” among fitness brands in Taiwan, providing members with the more convenient service.

Power Wind runs the business by providing premium exercise environment, importing top-notch fitness equipment, and offering diverse training courses to members. In addition, the charge is standardized, transparent, and in compliance with the regulations in Standard Form Contracts for “gyms (fitness centers)” and “fitness instructors.” Power Wind insists on the business philosophy of making customers feel reliable and reassured to join Fitness Factory. Ministry of Education (M.O.E.) laid down “Mandatory and Prohibitory Provisions of Standard Form Contracts for Fitness Instructors” and amended “Mandatory and Prohibitory Provisions of Standard Contracts for Gyms (Fitness Centers),” which were announced on November 1, 2021, and put into effect and enforced on January 1, 2022. One of the regulatory emphases put upon these two “Standard Form Contracts” is to demand that fitness center operators offer 50% of the advance receipts placed in escrow. In response to the regulations of escrow of standard form contracts for fitness instructors laid down by the competent authority, Power Wind has put 50% of prepaid fitness coach service in trust in E.SUN Bank of its own accord since September 1, 2019, which provides the complete protection to all members of Fitness Factory.

In the post-pandemic era, as the global lockdown is being lifted in a phased manner, the public has more and more demand for exercise. Fitness Factory is the only public listed and the biggest local fitness center chain in Taiwan, and it is the first fitness brand in Asia obtaining SGS QUALICERT service quality certificate. “Fitness Factory” has earned the trust and recognition from customers with the complete protection of membership rights and benefits and its strong brand awareness as the fitness brand leader. Compared to other competitors which specifically focus on fitness or yoga, Power Wind combines the elements of fitness, recreation, and parent-child to offer diverse choices on fitness and recreational sports. It shifts the customer groups from those with strong demand for fitness to all-ages and fulfills the demand for fitness and recreational sports of each group and age group at the same time. Power Wind sets a model in domestic fitness industry and plays a decisive role in Taiwan’s recreational sports industry.

(1) Financial results

Unit: NT\$ Thousand

Item/Year	2021	2020	Increase (Decrease)	
			Amount	Ratio
Operating revenues	2,605,977	3,679,560	(1,073,583)	(29.18%)
Operating costs	(2,277,284)	(2,549,920)	272,636	(10.69%)



Item/Year	2021	2020	Increase (Decrease)	
			Amount	Ratio
Gross profit	328,693	1,129,640	(800,947)	(70.90%)
Operating expenses	(521,721)	(578,272)	56,551	(9.78%)
Operating (loss) income	(193,028)	551,368	(744,396)	(135.01%)
Non-operating income and expenses	1,537	(42,800)	44,337	(103.59%)
Income from continuing operations before income tax	(191,491)	508,568	(700,059)	(137.65%)
Income tax income (expense)	48,166	(99,937)	148,103	(148.20%)
Net income	(143,325)	408,631	(551,956)	(135.07%)
Earnings (losses) per share (NT\$ Dollar)	(1.91)	5.40	(7.31)	(135.37%)

**(2) Number of operating sites and number of members
(Fitness Factory and S klub Kids physical fitness club included)**

Item/Year	December 31				
	2017	2018	2019	2020	2021
Number of operating sites	32	40	46	51	57
Number of members	142,000	178,000	200,000	208,000	214,000

(3) Financial structure and profitability

Item/Year		2021	2020
Financial structure	Debt to Asset Ratio	79.63%	70.52%
	Long-term capital to Property, Plant, and Equipment Ratio	104.16%	96.69%
Profitability	Return on Assets	(1.06%)	6.44%
	Return on Equity	(7.53%)	19.44%
	Net Profit Margin	(5.50%)	11.11%
	Earnings (losses) per share (NT\$)	(1.91)	5.67



2. 2022 Business plan

(1) Market penetration strategy

In the post-pandemic era, the public takes “live healthy & feel reassured” more seriously, and there is a rising demand for pursuing health and stress relievers. By exercising regularly, people hope to boost their immune system and defend against the invasion of COVID-19. In addition, exercising outdoors is more and more harmful to the public with air pollution and extreme weather issues, which definitely increase the customers’ demand for indoor exercise. As of year-end 2021, there are 57 operating sites of Power Wind’s strategic brand “Fitness Factory” in Taiwan. Looking into 2022, Power Wind plans to open at least 8 new sites of “Fitness Factory.” In the first half of 2022, “Fitness Factory Taichung Fuke” was opened in late March. In addition, in New Taipei City, “Fitness Factory Longan” in Xinzhuang District and “Fitness Factory Luzhou” in Luzhou District are planned to be opened in May and June.

In the second half of 2022, there are still 5 new operating sites of “Fitness Factory,” which will locate in New Taipei City, Changhua County, Taipei City, and Kaohsiung City. Among these new openings of the year, all sites will locate in the densely populated regions of special municipalities (the 6 major cities) except the one in Changhua County. It is expected that the new openings in 2022 will drive stronger revenue growth momentum on record to Power Wind after operating under the shadow of the epidemic.

(2) Product development strategy

In 2022, in addition to “new-store momentum” and “same-store growth” as the two key engines of revenue growth, Power Wind proactively invests its energy in selling merchandise from offline physical fitness centers to online e-shop. It vigorously launched its self-owned brand product “PW Upscale Peptide Whey Protein.” This year, there will be other high-quality products of all kinds launched to fulfill members’ demand for fitness. In the future, the digital channel will become another highlight of Power Wind to increase revenue.

Power Wind’s integrity management and high-quality service are given recognition by domestic industry leaders, which proactively seek for cooperation. This year, Power Wind still has cross-industry cooperation plans of the innovative business model with different industry leaders, which will definitely take the market by storm once they are released!

Power Wind launched its brand-new application and keeps optimizing its functions. With the application, members of Fitness Factory can note down data on body, nutrition, and exercise, keep training diary, and acquire nutrition consulting and diet plans provided by experts. With the brand-new Fitness Factory application, members can properly and immediately track personal body conditions and training outcome and acquire proper nutrition concepts and diet



plans to achieve better training outcome. Moreover, Power Wind's online e-shop will be built on this application to offer members the more diverse service. Equipped with this powerful tool, "Fitness Factory" is confident to help members form a habit of exercise and enhance the membership renewal rate.

(3) Diversification strategy

Founded in 2019, Taiwan Physical Fitness Development Association is dedicated to the training and certification of professional personal trainers and aerobics instructors. It not only improves the professional skills and the training quality of personal trainers and aerobics instructors of "Fitness Factory," but also strengthens the professional brand image of "Fitness Factory." Also, the Association provides a new option for domestic physical fitness practitioners to advance the professional training and obtain certificates. In 2022, Taiwan Physical Fitness Development Association will promote all kinds of self-developed professional physical fitness programs more intensely and plan to import lectures of foreign professional lecturers under the circumstances of excluding the impact of the pandemic, making professional skills of fitness industry in Taiwan keep pace with the world.

In 2022, Power Wind will deliver its "brand value" and "benefits of fitness" to people of all groups and age groups more proactively. To start with, Power Wind successfully hosted "1st Fitness Factory Cup Junior Football Tournament" in December 2020. The tournament was held at Kaohsiung National Stadium, which is the best soccer field in Taiwan. It was the first time that the youth competed over there, and the championship was live TV broadcast by Eleven Sports as a professional competition. This April, we will host the tournament again. By promoting junior football and inspiring children to like exercising since childhood, Power Wind hopes to make more people see how much it endeavors to root exercise in Taiwan. Power Wind will proactively participate in basketball-related activities, the most popular sport in Taiwan, to make "Fitness Factory" recognized and liked by more high schoolers and people who enjoy basketball. In addition, Power Wind is sure to have bright prospects of "female fitness" of the female economy and "senior citizens exercise" of the silver economy. In 2022, "Fitness Factory" regards female customers and the senior citizen group as its target audiences. Moreover, to keep promoting bodybuilding, the sport combining strength and beauty, Power Wind expects to organize IFBB Regional & Asia Pro Qualifier this July and at year-end 2022 in Kaohsiung.

(4) ESG promotion plans

ESG is growing in significance for enterprises around the world. More and more investors recognize that ESG factors can be strongly correlated with the long-term growth potential of an enterprise. ESG stands for Environmental, Social, and Governance, which are environment sustainability, social responsibility, and corporate governance. Enterprises in future must master



these three operating benchmarks to obtain recognition from shareholders, clients, customers, and other stakeholders. In a long time, Power Wind has been dedicated to protecting the environment, supporting underprivileged groups, and sponsoring athletes and sports groups. In addition, Power Wind takes on the responsibilities of a business operator, secures the rights and benefits of members and shareholders, and takes the benefits of other stakeholders into account. Power Wind has been making an inventory of the Company's resources, integrating them, and drawing an ESG blueprint for the future. In 2022, Power Wind proactively promotes various ESG plans, including adopting energy-and-water-saving devices and energy-saving architectural designs, responding to the campaign of turning off lights and energy saving & carbon reduction to protect the earth, implementing paper-usage reduction policy, promoting exercising at every age, sponsoring charitable events and sports activities, promoting a friendly working environment, providing opportunities of industry-academia collaborations, strengthen independent directors' functions, appointing Chief Information Security Officer (CISO), etc. All the plans make Power Wind develop sustainably and last forever.

3. Future prospect

In Taiwan, the population of people engaging in physical activities grows every year. The percentage of physically active nationals increased from 76.9% in 2006 to 80.2% in 2021. In addition, according to Surveys of Sports City and Surveys of Exercise Conditions over the years, the percentage of people who exercise regularly (at least 3 times a week, 30 minutes of exercise each time, heart rate above 130 beats per minute or rapid breathing and sweating) showed a notable growth as well, which increased from 18.8% in 2006 to 33.9% in 2021.

According to the statistics released by Ministry of Finance, the nationwide sales of fitness centers and health clubs amounted to NT\$12.359 billion in 2021. The COVID-19 pandemic had an impact on "fitness industry," resulting in an 18.72% decrease in YOY. Starting from 2011, the compound annual growth rate is nearly 25% in recent nine years. "Fitness industry" becomes a top-performing industry among Taiwan service industries. In addition, according to "2014-2015 Surveys of Sports City and 2016-2021 Surveys of Exercise Conditions in Taiwan" released by Sports Administration, M.O.E., in Taiwan, physical active people chose "Use gym equipment" as the most frequent exercise item. The percentages in 2014, 2015, 2016, 2018, 2019, 2020, and 2021 were 2.4%, 3.1%, 3.3%, 3.9%, 6.1%, 5.3%, and 4.8%, respectively, showing that "exercise at the gym" has become a popular sports culture among Taiwanese.

As the population of people exercising regularly grows continuously, in recent years, the government and private institutions organized all kinds of popular activities such as road running, triathlon, cross-lake swimming carnival, etc. Due to the widespread concept of fitness, the domestic fitness trend has been formed. In 2021, the severe Covid-19 pandemic caused fitness center shutdowns for nearly two months, which also affected customers' demand for fitness in Taiwan. However, in the post-pandemic era, it turns out to be an activator to make the public conscious of



health and a boost to the immune system. The policy “one mandatory day off & one flexible rest day” of Ministry of Labor is implemented, which also drives the trend of nationals engaging in recreational sports. Meanwhile, extreme weather and air pollution have become increasingly serious. Health effects of fine particulate matter (PM2.5) are an issue everyone in the world should pay attention to. When the weather and air quality deteriorate, people who usually exercise outdoors must consider doing exercise in indoor facilities.

According to the estimates in “Surveys of Exercise Conditions” released by Sports Administration, M.O.E. and the industry research report released by International Health, Racquet & Sportsclub Association (IHRSA), there are less than 4% of 23 million Taiwanese pay for fitness and exercise so far. In 2022, Power Wind will proactively and specifically communicate and market to these customers who have not commit themselves to fitness and exercise yet and make all Taiwanese willing to get a taste of fitness and start to exercise. Also, these people will join “Fitness Factory” confidently based on their trust in Power Wind and engage in fitness and exercise happily.

In February 2021, Power Wind moved into its new operational headquarters in Kaohsiung City, which fully showed our determination to root the business in Taiwan. This year, in the post-pandemic era, “Fitness Factory” will keep working hard on its “membership renewal rate” and “paid-course penetration rate” in addition to carrying out its new-openings plan. “Fitness Factory” is the first fitness brand that obtained “SGS QUALICERT International Service Quality Certificate” in both Asia and Taiwan. With our strong-like-diamond reputation and no-best-only-better service quality, Power Wind designs the most beneficial package discounts for members to enhance new member recruitment and the membership renewal rate of existing members. In 2022, after a storm comes a calm, we hope that the number of members of “Fitness Factory” is effectively increased by various marketing activities, which push “Revenue of Fitness and Recreation Sports Services” to a substantial growth. Furthermore, “Fitness Factory” provides special offers on personal training courses to effectively increase the penetration rate of members purchasing personal training courses. The increase in the sales of training courses will definitely bring “Revenue of Sports Health Services” to a growth.

In future, Power Wind will continue its business expansion, expand new sites and new markets proactively, and strengthen the Company’s competitive advantages. The management team insists on the Company’s culture of “Professionalism, Passion, Positive attitude,” and carries out the corporate philosophy of “Build a strong body before building a strong country; where there is a will, there is a way.” The Company will keep working hard to meet the members’ demand for health and beauty, create higher shareholders’ equity, become the solid backing of employees, and fulfill the corporate social responsibility. Best wishes to all shareholders and directors.

Chairman:
George Chen

President:
John Chen

Chief Accounting Officer:
Alex Miao



Attachment 2.
Audit Committee's review report



Power Wind Health Industry Incorporated

Audit Committee's review report

The Board of Directors has prepared the Company's 2021 Business report, Financial Statements, and Loss off-setting proposal. Of these items, the Financial Statements have been duly audited by independent auditors, Fang-Wen Lee and Shih-Chieh Huang, of Ernst & Young, and an audit report has been issued. The Business report, Financial Statements, and Loss off-setting proposal mentioned above have been reviewed and determined to be correct and accurate by Audit Committee. In accordance with Article 14-4 of Securities and Exchange Act and Article 219 of Company Act, we hereby submit this report. Please review.

To
2022 Annual Shareholders' Meeting
of Power Wind Health Industry Incorporated

Power Wind Health Industry Incorporated

Chairperson of Audit Committee: Shang-Pao Yeh

April 18, 2022



**Attachment 3.
"Procedures for Ethical
Management and Guidelines for
Conduct" amendment comparison
table**

"Procedures for Ethical Management and Guidelines for Conduct" amendment comparison table

Date of amendment: December 21, 2021

Amended Article	Original Article	Reference and reason of amendment
<p>Article 5 (Responsible unit and duties)</p> <p>The Company designates the Ethical management team as the solely responsible unit (hereinafter, "The Company's responsible unit") under the Board of Directors and provides it with sufficient resources and competent personnel to be in charge of the amendment, implementation, interpretation, and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall be in charge of the following matters and also submit regular reports (at least once a year) to the Board of Directors: (Hereafter omitted)</p>	<p>Article 5 (Responsible unit and duties)</p> <p>The Company designates the Ethical management <u>promotion</u> team as the solely responsible unit (hereinafter, "The Company's responsible unit") under the Board of Directors and provides it with sufficient resources and competent personnel to be in charge of the amendment, implementation, interpretation, and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall be in charge of the following matters and also submit regular reports (at least once a year) to the Board of Directors: (Hereafter omitted)</p>	<p>Amend the name in accordance with the organizational chart. (delete "promotion")</p>
<p>Article 24 (Enforcement)</p> <p><u>The 2nd amendment was made on December 21, 2021, then submitted to the Shareholders' Meeting on June 1, 2022.</u></p>	<p>Article 24 (Enforcement)</p>	<p>Add the revision history.</p>



**Attachment 4.
“Sustainable Development Best
Practice Principles” (formerly
named “Corporate Social
Responsibility Best Practice
Principles”) amendment
comparison table**



**"Sustainable Development Best Practice Principles" (formerly named
"Corporate Social Responsibility Best Practice Principles") amendment
comparison table**

Date of amendment: January 11, 2022

Amended Name	Original Name	Reference and reason of amendment
<u>Sustainable Development</u> Best Practice Principles	<u>Corporate Social Responsibility</u> Best Practice Principles	In order to follow the international development trend, put the goal of sustainable development into practice, strengthen the implementation of promotion of sustainable development of TWSE/TPEX Listed Companies, improve the quality of the disclosure of information on sustainable development, and accentuate that corporates in R.O.C. take sustainable development seriously and endeavor to put it into practice, TWSE hereby renamed "Corporate Social Responsibility Best Practice Principles for TWSE/TPEX



Amended Name	Original Name	Reference and reason of amendment
		Listed Companies" as "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies."

Amended Article	Original Article	Reference and reason of amendment
<p>Article 1</p> <p>In order to assist the Company to fulfill its corporate social responsibility initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development, Taiwan Stock Exchange Corporation (TWSE) and Taipei Exchange (TPEX) hereby jointly adopt the Principles to be followed by the Company. The Company is advised to promulgate its own <u>sustainable development</u> principles in accordance with the Principles to manage its economic, environmental and social risks and impact.</p>	<p>Article 1</p> <p>In order to assist the Company to fulfill its corporate social responsibility initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development, Taiwan Stock Exchange Corporation (TWSE) and Taipei Exchange (TPEX) hereby jointly adopt the Principles to be followed by the Company. The Company is advised to promulgate its own <u>corporate social responsibility</u> principles in accordance with the Principles to manage its economic, environmental and social risks and impact.</p>	<p>To comply with the amendment to the name of the Principles, the concept of "corporates shall take corporate social responsibility seriously" is expanded to "corporates shall take sustainable development seriously." Hence, the paragraph 2 of the Article is amended.</p>
<p>Article 2</p> <p>The Principles apply to the Company, including the entire operations of the Company and its business group. The Principles encourage the Company to actively fulfill its <u>sustainable development</u> in the course of its business operations so as to follow international development trends and to</p>	<p>Article 2</p> <p>The Principles apply to the Company, including the entire operations of the Company and its business group. The Principles encourage the Company to actively fulfill its <u>corporate social responsibility</u> in the course of its business operations so as to follow international development</p>	<p>To comply with the amendment to the name of the Principles, the concept of "corporates shall take corporate social responsibility seriously" is expanded to</p>



Amended Article	Original Article	Reference and reason of amendment
contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on <u>sustainable development</u> .	trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on <u>corporate social responsibility</u> .	"corporates shall take sustainable development seriously." Hence, the paragraph 2 of the Article is amended.
Article 3 <u>In promoting sustainable development</u> , the Company shall, in its corporate management guidelines and business operations, gives due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also gives due consideration to the environment, society and corporate governance. (Hereafter omitted)	Article 3 <u>In fulfilling corporate social responsibility initiatives</u> , the Company shall, in its corporate management guidelines and business operations, gives due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also gives due consideration to the environment, society and corporate governance. (Hereafter omitted)	To comply with the amendment to the name of the Principles, the concept of "corporates shall take corporate social responsibility seriously" is expanded to "corporates shall take sustainable development seriously." Hence, the paragraph 1 of the Article is amended.
Article 4 To implement <u>sustainable development</u> , the Company is advised to follow the principles below: 1. Exercise corporate governance. 2. Foster a sustainable environment. 3. Preserve public welfare. 4. Enhance disclosure of corporate <u>sustainable development</u> information.	Article 4 To implement <u>corporate social responsibility initiatives</u> , the Company is advised to follow the principles below: 1. Exercise corporate governance. 2. Foster a sustainable environment. 3. Preserve public welfare. 4. Enhance disclosure of corporate <u>social responsibility</u> information.	To comply with the amendment to the name of the Principles, the concept of "corporates shall take corporate social responsibility seriously" is expanded to "corporates shall take sustainable development seriously." Hence, the preamble and subparagraph 4

Amended Article	Original Article	Reference and reason of amendment
		of the Article are amended.
<p>Article 5</p> <p>The Company shall take into consideration the correlation between the development of domestic and international <u>sustainable development</u> principles and corporate core business operations, and the effect of the operation of the Company and of its respective business group as a whole on stakeholders, in establishing its policies, systems or relevant management guidelines, and concrete promotion plans for <u>sustainable development</u> programs, which shall be approved by the Board of Directors and then reported to the shareholders' meeting. When a shareholder proposes a motion involving <u>sustainable development</u>, the Company's Board of Directors is advised to review and consider including it in the shareholders' meeting agenda.</p>	<p>Article 5</p> <p>The Company shall take into consideration the correlation between the development of domestic and international <u>corporate social responsibility</u> principles and corporate core business operations, and the effect of the operation of the Company and of its respective business group as a whole on stakeholders, in establishing its policies, systems or relevant management guidelines, and concrete promotion plans for <u>corporate social responsibility</u> programs, which shall be approved by the Board of Directors and then reported to the shareholders' meeting. When a shareholder proposes a motion involving <u>corporate social responsibility</u>, the Company's Board of Directors is advised to review and consider including it in the shareholders' meeting agenda.</p>	<p>To comply with the amendment to the name of the Principles, the concept of "corporates shall take corporate social responsibility seriously" is expanded to "corporates shall take sustainable development seriously." Hence, the paragraph 1 and 2 of the Article are amended.</p>
<p>Article 7</p> <p>The directors of the Company shall exercise the due care of good administrators to urge the Company to perform its <u>sustainable development</u>, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its <u>sustainable development</u> policies. The Board of Directors of the Company is advised to give full</p>	<p>Article 7</p> <p>The directors of the Company shall exercise the due care of good administrators to urge the Company to perform its <u>corporate social responsibility initiatives</u>, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its <u>corporate social responsibility</u> policies. The Board of Directors of the Company is advised to give full</p>	<p>To comply with the amendment to the name of the Principles, the concept of "corporates shall take corporate social responsibility seriously" is expanded to "corporates shall take sustainable development seriously." Hence,</p>



Amended Article	Original Article	Reference and reason of amendment
<p>consideration to the interests of stakeholders, including the following matters, in the Company's <u>promotion of sustainable development goals</u>:</p> <ol style="list-style-type: none"> 1. Identifying the Company's <u>sustainable development mission or vision</u>, and declaring its <u>sustainable development policy</u>, systems or relevant management guidelines; 2. Making <u>sustainable development</u> the guiding principle of the Company's operations and development, and ratifying concrete promotional plans for <u>sustainable development</u>; and 3. Enhancing the timeliness and accuracy of the disclosure of <u>sustainable development</u> information. <p>(Hereafter omitted)</p>	<p>consideration to the interests of stakeholders, including the following matters, in the Company's <u>performance of its corporate social responsibility initiatives</u>:</p> <ol style="list-style-type: none"> 1. Identifying the Company's <u>corporate social responsibility mission or vision</u>, and declaring its <u>corporate social responsibility policy</u>, systems or relevant management guidelines; 2. Making <u>corporate social responsibility</u> the guiding principle of the Company's operations and development, and ratifying concrete promotional plans for <u>corporate social responsibility initiatives</u>; and 3. Enhancing the timeliness and accuracy of the disclosure of <u>corporate social responsibility</u> information. <p>(Hereafter omitted)</p>	<p>the paragraph 1 and 2 of the Article are amended.</p>
<p>Article 8 The Company is advised to, on a regular basis, organize education and training on <u>the promotion of sustainable development</u>, including promotion of the matters prescribed in paragraph 2 of the preceding article.</p>	<p>Article 8 The Company is advised to, on a regular basis, organize education and training on <u>the implementation of corporate social responsibility initiatives</u>, including promotion of the matters prescribed in paragraph 2 of the preceding article.</p>	<p>To comply with the amendment to the name of the Principles, the concept of "corporates shall take corporate social responsibility seriously" is expanded to "corporates shall take sustainable development seriously." Hence, the Article is amended.</p>



Amended Article	Original Article	Reference and reason of amendment
<p>Article 9</p> <p>For the purpose of managing <u>sustainable development</u>, the Company is advised to <u>establish corporate governance frameworks of promoting sustainable development</u> and establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the <u>sustainable development</u> policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the Board of Directors on a periodic basis.</p> <p>The Company is advised to adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders.</p> <p>It is advised that the employee performance evaluation system be combined with <u>sustainable development</u> policies, and that a clear and effective incentive and discipline system be established.</p>	<p>Article 9</p> <p>For the purpose of managing <u>corporate social responsibility initiatives</u>, the Company is advised to establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the <u>corporate social responsibility</u> policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the Board of Directors on a periodic basis.</p> <p>The Company is advised to adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders.</p> <p>It is advised that the employee performance evaluation system be combined with <u>corporate social responsibility</u> policies, and that a clear and effective incentive and discipline system be established.</p>	<ol style="list-style-type: none"> 1. To strengthen the management of corporate sustainable development, corporates shall strengthen the goal for promoting sustainable development via the establishment of governance frameworks. Hence, paragraph 1 of the Article is amended. 2. To comply with the amendment to the name of the Principles, the concept of "corporates shall take corporate social responsibility seriously" is expanded to "corporates shall take sustainable development seriously." Hence, paragraph 1 and 3 of the Article are amended.

Amended Article	Original Article	Reference and reason of amendment
<p>Article 10</p> <p>The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the Company, and establish a designated section for stakeholders on the Company website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important <u>sustainable development</u> issues which they are concerned about.</p>	<p>Article 10</p> <p>The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the Company, and establish a designated section for stakeholders on the Company website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important <u>corporate social responsibility</u> issues which they are concerned about.</p>	<p>To comply with the amendment to the name of the Principles, the concept of "corporates shall take corporate social responsibility seriously" is expanded to "corporates shall take sustainable development seriously." Hence, the Article is amended.</p>
<p>Article 12</p> <p>The Company is advised to endeavor to <u>use energy</u> more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.</p>	<p>Article 12</p> <p>The Company is advised to endeavor to <u>utilize all resources</u> more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.</p>	<p>To focus on corporates' energy usage management and to reduce greenhouse gas emissions, hence, the Article is amended.</p>
<p>Article 17</p> <p>The Company is advised to assess the current and future potential risks and opportunities that climate change may present to the enterprise and to adopt <u>related</u> measures.</p> <p>The Company is advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:</p> <ol style="list-style-type: none"> 1. Direct greenhouse gas emissions: emissions from operations that are owned or 	<p>Article 17</p> <p>The Company is advised to assess the current and future potential risks and opportunities that climate change may present to the enterprise and to adopt <u>climate related</u> measures.</p> <p>The Company is advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:</p> <ol style="list-style-type: none"> 1. Direct greenhouse gas emissions: emissions from operations that are owned 	<ol style="list-style-type: none"> 1. TWSE/TPEX listed companies assess climate change related risks and opportunities and measures responding to climate change, which shall include but not limited to climate related issues. Hence, paragraph 1



Amended Article	Original Article	Reference and reason of amendment
<p>controlled by the Company.</p> <p>2. Indirect greenhouse gas emissions: emissions resulting from the generation of <u>input</u> electricity, heating, or steam.</p> <p>3. <u>Other indirect emissions: Emissions from the Company's activities, which are not energy indirect emissions but emission sources owned or controlled by other companies.</u> (Hereafter omitted)</p>	<p>or controlled by the Company.</p> <p>2. Indirect greenhouse gas emissions: emissions resulting from the generation of <u>externally purchased or acquired</u> electricity, heating, or steam. (Hereafter omitted)</p>	<p>of the Article is amended.</p> <p>2. The electricity in indirect greenhouse gas emissions includes but not limited to externally purchased electricity. Hence, paragraph 2, subparagraph 2 of the Article is amended.</p> <p>3. To achieve the goal of reducing greenhouse gas emissions, corporates are encouraged to disclose other indirect greenhouse gas emissions in category 3. Hence, paragraph 2, subparagraph 3 of the Article is added.</p>

Amended Chapter Name	Original Chapter Name	Reference and reason of amendment
Chapter 5 Enhancing Disclosure of <u>Sustainable Development</u> Information	Chapter 5 Enhancing Disclosure of <u>Corporate Social Responsibility</u> Information	To comply with the amendment to Article 4, subparagraph 4, hence, the name of Chapter 5 is amended.



Amended Article	Original Article	Reference and reason of amendment
<p>Article 28</p> <p>The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/TPEX listed Companies and shall fully disclose relevant and reliable information relating to its <u>sustainable development</u> to improve information transparency.</p> <p>Relevant information relating to <u>sustainable development</u> which the Company shall disclose includes:</p> <ol style="list-style-type: none"> 1. The policy, systems or relevant management guidelines, and concrete promotion plans for <u>sustainable development</u>, as resolved by the Board of Directors. 2. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare. 3. Goals and measures for <u>promoting sustainable development</u> established by the Company, and performance in implementation. 4. Major stakeholders and their concerns. 5. Disclosure of information on major suppliers' management and performance with respect to major environmental and 	<p>Article 28</p> <p>The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/TPEX listed Companies and shall fully disclose relevant and reliable information relating to its <u>corporate social responsibility initiatives</u> to improve information transparency.</p> <p>Relevant information relating to <u>corporate social responsibility</u> which the Company shall disclose includes:</p> <ol style="list-style-type: none"> 1. The policy, systems or relevant management guidelines, and concrete promotion plans for <u>corporate social responsibility initiatives</u>, as resolved by the Board of Directors. 2. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare. 3. Goals and measures for <u>realizing the corporate social responsibility initiatives</u> established by the Company, and performance in implementation. 4. Major stakeholders and their concerns. 5. Disclosure of information on major suppliers' management and 	<p>To comply with the amendment to the name of the Principles, the concept of "corporates shall take corporate social responsibility seriously" is expanded to "corporates shall take sustainable development seriously." Hence, the paragraph 1 and 2 of the Article are amended.</p>

Amended Chapter Name	Original Chapter Name	Reference and reason of amendment
social issues. 6. Other information relating to <u>sustainable development</u> .	performance with respect to major environmental and social issues. 6. Other information relating to <u>corporate social responsibility initiatives</u> .	
Article 29 The Company shall adopt internationally widely recognized standards or guidelines when producing <u>sustainability</u> reports, to disclose the status of its implementation of the <u>sustainable development</u> policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports are advised to include: 1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing <u>sustainable development</u> . 2. Major stakeholders and their concerns. 3. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development. 4. Future improvements and goals.	Article 29 The Company shall adopt internationally widely recognized standards or guidelines when producing <u>corporate social responsibility</u> reports, to disclose the status of its implementation of the <u>corporate social responsibility</u> policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports are advised to include: 1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing <u>corporate social responsibility initiatives</u> . 2. Major stakeholders and their concerns. 3. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development. 4. Future improvements and goals.	To comply with concrete promotion measures of "Corporate Governance 3.0 - The Blueprint for Sustainable Development," TWSE/TPEX listed companies' "corporate social responsibility reports" are renamed as "sustainability reports." And, to comply with the amendment to the name of the Principles, the concept of "corporates shall take corporate social responsibility seriously" is expanded to "corporates shall take sustainable development seriously." Hence, the preamble and subparagraph 1 of the Article are amended.
Article 30 The Company shall at all times	Article 30 The Company shall at all times	To comply with the amendment

Amended Chapter Name	Original Chapter Name	Reference and reason of amendment
monitor the development of domestic and foreign <u>sustainable development</u> standards and the change of business environment so as to examine and improve its established <u>sustainable development</u> framework and to obtain better results from <u>the promotion of sustainable development</u> .	monitor the development of domestic and foreign <u>corporate social responsibility</u> standards and the change of business environment so as to examine and improve its established <u>corporate social responsibility</u> framework and to obtain better results from <u>the implementation of the corporate social responsibility policy</u> .	to the name of the Principles, the concept of "corporates shall take corporate social responsibility seriously" is expanded to "corporates shall take sustainable development seriously." Hence, the Article is amended.
Article 31 <u>The 4th amendment was approved by the Board of Directors on January 11, 2022, then submitted to the Shareholders' Meeting on June 1, 2022.</u>	Article 31	Add the revision history.



Attachment 5.
The implementation of
repurchasing the Company's own
shares

Power Wind Health Industry Incorporated

The implementation of repurchasing the Company's own shares

Series of repurchase	The 2 nd time
Resolved date of the Board of Directors	May 16, 2021
Purpose of repurchase	Transfer to employees
Planned period of repurchase	May 17, 2021 to July 16, 2021
Actual period of repurchase	June 29, 2021 to June 29, 2021
Method of repurchase	Repurchase from centralized securities exchange market
Planned price range of repurchase	NT\$120 to 200 per share
Planned number of repurchase	2,000,000 shares
Planned ceiling on total monetary amount of repurchase	NT\$320,000,000
Type and number of repurchased shares	Common stock 20,000 shares
Total monetary amount of repurchased shares	NT\$2,801,117
Average repurchased price per share	NT\$140.06
Number of shares registered for the cancellation and transfer	0 share
Accumulated number of the Company's shareholdings	20,000 shares
Ratio of accumulated number of the Company's shareholdings to the total shares outstanding	0.03%



**Attachment 6.
Independent Auditors' report and
2021 Parent Company Only
Financial Statements**



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Independent Auditors' Report

To Power Wind Health Industry Incorporated

Opinion

We have audited the accompanying parent company only balance sheets of Power Wind Health Industry Incorporated (the "Company") as of December 31, 2021 and 2020, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2021 and 2020, and notes to the parent company only financial statements, including the summary of significant accounting policies (collectively "the parent company only financial statements").

In our opinion, the parent company only financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and its financial performance and cash flows for the years ended December 31, 2021 and 2020, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Parent Company only Financial Statements* section of our report. We are independent of the Company 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2021 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

Net sales recognized by the Company amounted to NT\$2,512,311 thousand for the year ended December 31, 2021. Due to the large number of fitness center members, the differences in each contract and commitment of rendering services to customers where revenue was recognized when performance obligations were satisfied, which led to complex calculation, we therefore determined revenue recognition a key audit matter.

Our audit procedures included, but not limited to, assessing the appropriateness of the accounting policy and testing the effectiveness of internal controls around revenue recognition, including reviewing contractual provisions and contract amounts, confirming the period for rendering of services and selecting courses to verify the condition of execution. In addition, through performing cut-off testing, reviewing analytical procedures and recalculating etc. to validate appropriateness of revenue recognition, we also assessed the adequacy of disclosures of operating revenue. Please refer to Note 6 to the parent company only financial statements.

Right-of-Use Assets and Lease Liabilities

The Company acquired right-of-use for sites of fitness center chains and recreational sports venues by leasing. As the completeness of acquisition of contracts, contract terms and conditions, all relevant facts and circumstances and the discount rate of the lease payments involved management's estimates and assumptions, and the amount of right-of-use assets and lease liabilities increased as business locations increased, we considered this a key audit matter.

Our audit procedures include but are not limited to testing the effectiveness of internal controls concerning the measurement of right-of-use assets and lease liabilities and reviewing the Company's existing lease contracts. We also identified the lease components within contracts and assessed the lease terms and the appropriateness of the discount rate which the lease payments adopted. Furthermore, we consider the appropriateness of disclosing the right-of-use assets and lease liabilities in Note 6 to the parent company only financial statements.



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

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

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

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

Auditor's Responsibilities for the Audit of the Parent Company only Financial Statements

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

As part of an audit in accordance with 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 assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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



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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2021 parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

/s/ Lee, Fang-Wen

/s/ Huang, Shih-Chieh

Ernst & Young, Taiwan

March 11, 2022

Notice to Readers

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



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

POWER WIND HEALTH INDUSTRY INCORPORATED

PARENT COMPANY ONLY BALANCE SHEETS

December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	December 31, 2021	%	December 31, 2020	%
Current assets					
Cash and cash equivalents	4,6(1)	\$770,332	10	\$624,873	9
Notes receivable, net	4	245	-	-	-
Accounts receivable, net	4,6(2)	17,564	-	7,960	-
Inventories	4	13,507	-	6,167	-
Prepayments		12,251	-	13,332	-
Other financial assets, current	4,6(3),8	320,859	4	284,920	4
Other current assets	7	48,236	1	14,612	-
Total current assets		1,182,994	15	951,864	13
Non-current assets					
Financial assets at fair value through other comprehensive income, non-current	4,6(4),12(8)	25,962	-	25,962	-
Investments accounted for using the equity method	4,6(5)	12,737	-	24,480	-
Property, plant and equipment	4,6(6),8	3,088,674	38	2,808,854	40
Right-of-use assets	4,6(18)	3,582,424	44	3,207,115	45
Intangible assets	4,6(7)	30,157	-	2,789	-
Deferred tax assets	4,6(22)	56,930	1	11,605	-
Other non-current assets	4,6(8)	114,972	2	104,252	2
Total non-current assets		6,911,856	85	6,185,057	87
Total Assets		\$8,094,850	100	\$7,136,921	100

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



English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
POWER WIND HEALTH INDUSTRY INCORPORATED
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	December 31, 2021	%	December 31, 2020	%
Current liabilities					
Contract liabilities	4,6(17)	\$592,110	7	\$483,285	7
Notes payable		984	-	387	-
Accounts payable		476	-	838	-
Payables on equipment		68,192	1	33,954	-
Other payables	6(9)	290,446	4	293,370	4
Other payables - related parties	7	117	-	303	-
Current tax liabilities	4,6(22)	37,156	-	39,161	1
Lease liabilities, current	4,6(18)	446,567	5	388,932	5
Current portion of long-term liabilities	4,6(12),8	111,836	1	238,028	3
Other current liabilities		3,280	-	2,530	-
Total current liabilities		1,551,164	18	1,480,788	20
Non-current liabilities					
Financial liabilities at fair value through profit or loss, non-current	4,6(10),12(8)	2,463	-	-	-
Bonds payable	4,6(11)	377,230	5	-	-
Long-term loans	4,6(12),8	1,130,675	14	552,193	8
Provisions, non-current	4,6(14)	55,728	1	45,258	1
Lease liabilities, non-current	4,6(18)	3,320,304	41	2,934,970	41
Other non-current liabilities		880	-	460	-
Total non-current liabilities		4,887,280	61	3,532,881	50
Total liabilities		6,438,444	79	5,013,669	70
Equity	4,6(15&16)				
Share capital					
Common stock		774,703	10	737,343	10
Share capital awaiting retirement		(150)	-	(138)	-
Total share capital		774,553	10	737,205	10
Capital surplus		796,465	10	775,971	11
Retained earnings					
Legal reserve		214,637	3	174,623	2
Special reserve		29,364	-	64,682	1
(Accumulated losses) unappropriated earnings		(142,189)	(2)	400,135	6
Total retained earnings		101,812	1	639,440	9
Other components of equity		(13,623)	-	(29,364)	-
Treasury shares		(2,801)	-	-	-
Total equity		1,656,406	21	2,123,252	30
Total liabilities and equity		\$8,094,850	100	\$7,136,921	100

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

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
POWER WIND HEALTH INDUSTRY INCORPORATED
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Accounting	Notes	For the years ended December 31			
		2021	%	2020	%
Operating revenues	4,6(17)	\$2,512,311	100	\$3,544,413	100
Operating costs	4,6(13&16&18&19),7	(2,191,225)	(87)	(2,450,599)	(69)
Gross profit		321,086	13	1,093,814	31
Operating expenses	4,6(13&16&18&19),7				
Sales and marketing expenses		(40,825)	(2)	(41,952)	(1)
General and administrative expenses		(468,178)	(19)	(522,233)	(15)
Subtotal		(509,003)	(21)	(564,185)	(16)
Operating (loss) income		(187,917)	(8)	529,629	15
Non-operating income and expenses	4,6(5&20)				
Interest income		1,380	-	1,246	-
Other income		78,686	3	18,071	1
Other gains and losses		(3,987)	-	(447)	-
Finance costs		(76,313)	(3)	(63,018)	(2)
Investment income (loss) from investments accounted for using the equity method	4,6(5)	(1,502)	-	11,379	-
Subtotal		(1,736)	(0)	(32,769)	(1)
(Loss) income from continuing operations before income tax		(189,653)	(8)	496,860	14
Income tax income (expense)	4,6(22)	47,330	2	(95,815)	(3)
(Loss) profit from continuing operations		(142,323)	(7)	401,045	11
Net (loss) income		(142,323)	(7)	401,045	11
Other comprehensive (loss)					
Items that will not be reclassified to profit or loss					
Unrealized (losses) on investments in equity instruments measured at fair value through other comprehensive income	6(21)	-	-	(299)	-
Total other comprehensive (loss), net of tax		-	-	(299)	-
Total comprehensive income		<u>\$ (142,323)</u>	<u>(7)</u>	<u>\$400,746</u>	<u>11</u>
(Loss) earnings per share (NTD)	6(23)				
Earnings per share - Basic		<u>\$ (1.91)</u>		<u>\$5.40</u>	
Earnings per share - Diluted		<u>\$ (1.91)</u>		<u>\$5.24</u>	

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

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
POWER WIND HEALTH INDUSTRY INCORPORATED
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

Accounting	Common stock	Certificate of entitlement to new shares from convertible bonds	Subscribed stock	Share capital awaiting retirement	Capital surplus	Retained earnings			Other components of equity		Treasury shares	Total
						Legal reserve	Special reserve	(Accumulated losses) unappropriated earnings	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Unearned rewards for employees		
Balance as of January 1, 2020	\$698,356	\$2,575	\$125	\$(91)	\$761,071	\$127,610	\$54,367	\$470,441	\$(8,403)	\$(56,279)	\$-	\$2,049,772
Appropriation and distribution of 2019 retained earnings:												
Legal reserve	-	-	-	-	-	47,013	-	(47,013)	-	-	-	-
Special reserve	-	-	-	-	-	-	10,315	(10,315)	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	(377,981)	-	-	-	(377,981)
Stock dividends	35,132	-	-	-	-	-	-	(35,132)	-	-	-	-
Other changes in capital surplus												
Equity component of convertible bonds issued by the Company	-	-	-	-	(856)	-	-	-	-	-	-	(856)
Net income for the year ended December 31, 2020	-	-	-	-	-	-	-	401,045	-	-	-	401,045
Other comprehensive (loss) for the year ended December 31, 2020	-	-	-	-	-	-	-	-	(299)	-	-	(299)
Total comprehensive income (loss)	-	-	-	-	-	-	-	401,045	(299)	-	-	400,746
Convertible bonds conversion	-	1,592	-	-	16,336	-	-	-	-	-	-	17,928
Conversion of certificate of entitlement to new shares from convertible bonds	4,167	(4,167)	-	-	-	-	-	-	-	-	-	-
Share-based payment transaction	(312)	-	(125)	(47)	(580)	-	-	209	-	34,498	-	33,643
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	-	-	-	(1,119)	1,119	-	-	-
Balance as of December 31, 2020	\$737,343	\$-	\$-	\$(138)	\$775,971	\$174,623	\$64,682	\$400,135	\$(7,583)	\$(21,781)	\$-	\$2,123,252
Balance as of January 1, 2021	\$737,343	\$-	\$-	\$(138)	\$775,971	\$174,623	\$64,682	\$400,135	\$(7,583)	\$(21,781)	\$-	\$2,123,252
Appropriation and distribution of 2020 retained earnings:												
Legal reserve	-	-	-	-	-	40,014	-	(40,014)	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	(358,579)	-	-	-	(358,579)
Stock dividends	36,860	-	-	-	-	-	-	(36,860)	-	-	-	-
Reversal of special reserve	-	-	-	-	-	-	(35,318)	35,318	-	-	-	-
Other changes in capital surplus												
Equity component of convertible bonds issued by the Company	-	-	-	-	11,551	-	-	-	-	-	-	11,551
Net (loss) for the year ended December 31, 2021	-	-	-	-	-	-	-	(142,323)	-	-	-	(142,323)
Total comprehensive (loss)	-	-	-	-	-	-	-	(142,323)	-	-	-	(142,323)
Convertible bonds conversion	-	-	-	-	9,183	-	-	-	-	-	-	9,183
Conversion of certificate of entitlement to new shares from convertible bonds	688	-	-	-	-	-	-	-	-	-	-	688
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	(2,801)	-	(2,801)
Share-based payment transaction	(188)	-	-	(12)	(240)	-	-	134	-	15,741	-	15,435
Balance as of December 31, 2021	\$774,703	\$-	\$-	\$(150)	\$796,465	\$214,637	\$29,364	\$(142,189)	\$(7,583)	\$(6,040)	\$(2,801)	\$1,656,406

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



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

POWER WIND HEALTH INDUSTRY INCORPORATED

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

Accounting	For the years ended December 31	
	2021	2020
Cash flows from operating activities:		
Net (loss) income before tax	\$(189,653)	\$496,860
Adjustments to reconcile net income before tax to net cash provided by operating activities:		
Depreciation	871,873	814,038
Amortization	1,637	411
Net (gain) on financial assets and liabilities at fair value through profit or loss	(87)	(1)
Interest expense	76,313	63,018
Interest income	(1,380)	(1,246)
Compensation costs of share-based payment transaction	15,741	34,498
Share of loss (profit) of subsidiaries accounted for using the equity method	1,502	(11,379)
(Gain) on disposal and abandonment of property, plant and equipment	(69)	(81)
Property, plant and equipment transferred to expenses	6	200
Others	(13,939)	(3,006)
Changes in operating assets and liabilities:		
(Increase) Decrease in notes receivable	(245)	4
(Increase) Decrease in accounts receivable	(9,604)	2,125
(Increase) in inventories	(7,340)	(1,053)
Decrease (Increase) in prepayments	1,081	(3,269)
(Increase) Decrease in other current assets	(33,583)	13,936
(Increase) in other financial assets	(35,939)	(39,901)
Increase in contract liabilities	108,825	72,817
Increase (Decrease) in notes payable	597	(15)
(Decrease) in accounts payable	(362)	(537)
(Decrease) Increase in other payables	(8,104)	27,713
(Decrease) Increase in other payables - related parties	(186)	158
Increase (Decrease) in other current liabilities	750	(282)
Cash generated from operations	777,834	1,465,008
Interest received	1,380	1,246
Dividends received	10,241	8,990
Income tax paid	(41)	(124,872)
Net cash provided by operating activities	789,414	1,350,372
Cash flows from investing activities:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	1,596
Acquisition of property, plant and equipment	(720,473)	(675,933)
Proceeds from disposal of property, plant and equipment	132	95
Acquisition of intangible assets	(11,223)	(1,361)
Increase in other non-current assets	(10,720)	(24,932)
Net cash (used in) investing activities	(742,284)	(700,535)
Cash flows from financing activities:		
Proceeds from bonds issued	400,000	-
Proceeds from long-term loans	712,307	194,630
Repayments of long-term loans	(260,017)	(42,012)
Cash payments for the principal portion of lease liabilities	(383,311)	(368,963)
Increase in other non-current liabilities	420	90
Cash dividends	(358,579)	(377,981)
Payments to acquire treasury shares	(2,801)	-
Interest paid	(9,384)	(7,875)
Others	(306)	(855)
Net cash provided by (used in) financing activities	98,329	(602,966)
Net increase in cash and cash equivalents	145,459	46,871
Cash and cash equivalents at beginning of period	624,873	578,002
Cash and cash equivalents at end of period	\$770,332	\$624,873

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



**Attachment 7.
Independent Auditors' report and
2021 Consolidated Financial
Statements**



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Independent Auditors' Report

To Power Wind Health Industry Incorporated

Opinion

We have audited the accompanying consolidated balance sheets of Power Wind Health Industry Incorporated (the "Company") and its subsidiaries as of December 31, 2021 and 2020, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2021 and 2020, and notes to the consolidated financial statements, including the summary of significant accounting policies (collectively "the consolidated financial statements").

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of December 31, 2021 and 2020, and their consolidated financial performance and cash flows for the years ended December 31, 2021 and 2020, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC) or the former Standing Interpretations Committee (SIC) as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2021 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Revenue Recognition

Net sales recognized by the Company and its subsidiaries amounted to NT\$2,605,977 thousand for the year ended December 31, 2021. Due to the large number of fitness center members, the differences in each contract and commitment of rendering services to customers where revenue was recognized when performance obligations were satisfied, which led to complex calculation, we therefore determined revenue recognition a key audit matter.

Our audit procedures included, but not limited to, assessing the appropriateness of the accounting policy and testing the effectiveness of internal controls around revenue recognition, including reviewing contractual provisions and contract amounts, confirming the period for rendering of services and selecting courses to verify the condition of execution. In addition, through performing cut-off testing, reviewing analytical procedures and recalculating etc. to validate appropriateness of revenue recognition, we also assessed the adequacy of disclosures of operating revenue. Please refer to Note 6 to the consolidated financial statements.

Right-of-Use Assets and Lease Liabilities

The Company and its subsidiaries acquired right-of-use for sites of fitness center chains and recreational sports venues by leasing. As the completeness of acquisition of contracts, contract terms and conditions, all relevant facts and circumstances and the discount rate of the lease payments involved management's estimates and assumptions, and the amount of right-of-use assets and lease liabilities increased as business locations increased, we considered this a key audit matter.

Our audit procedures include but are not limited to testing the effectiveness of internal controls concerning the measurement of right-of-use assets and lease liabilities and reviewing the Company and its subsidiaries' existing lease contracts. We also identified the lease components within contracts and assessed the lease terms and the appropriateness of the discount rate which the lease payments adopted. Furthermore, we consider the appropriateness of disclosing the right-of-use assets and lease liabilities in Note 6 to the consolidated financial statements.

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

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



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

Those charged with governance, including Audit Committee, are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with 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 assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.



3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2021 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Other

We have audited and expressed an unqualified opinion on the parent company only financial statements of the Company as of and for the years ended December 31, 2021 and 2020.

/s/ Lee, Fang-Wen

/s/ Huang, Shih-Chieh

Ernst & Young, Taiwan

March 11, 2022

Notice to Readers

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



English Translation of Consolidated Financial Statements Originally Issued in Chinese

POWER WIND HEALTH INDUSTRY INCORPORATED AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	December 31, 2021	%	December 31, 2020	%
Current assets					
Cash and cash equivalents	4,6(1)	\$790,408	10	658,442	10
Notes receivable, net	4	245	-	-	-
Accounts receivable, net	4,6(2)	18,272	-	8,214	-
Inventories	4	14,242	-	6,311	-
Prepayments		12,515	-	13,855	-
Other financial assets, current	4,6(3),8	331,257	4	294,308	4
Other current assets		48,190	1	14,676	-
Total current assets		1,215,129	15	995,806	14
Non-current assets					
Financial assets at fair value through other comprehensive income, non-current	4,6(4)	25,962	-	25,962	-
Property, plant and equipment	4,6(5),8	3,103,845	38	2,832,522	39
Right-of-use assets	4,6(17),7	3,616,283	44	3,276,278	45
Intangible assets	4,6(6)	30,157	-	2,789	-
Deferred tax assets	4,6(21)	57,916	1	11,755	-
Other non-current assets	4,6(7),7	122,608	2	111,378	2
Total non-current assets		6,956,771	85	6,260,684	86
Total Assets		\$8,171,900	100	\$7,256,490	100

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



English Translation of Consolidated Financial Statements Originally Issued in Chinese
POWER WIND HEALTH INDUSTRY INCORPORATED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	December 31, 2021	%	December 31, 2020	%
Current liabilities					
Contract liabilities	4,6(16)	\$611,762	8	\$499,533	7
Notes payable		999	-	400	-
Notes payable - related parties	7	425	-	419	-
Accounts payable		559	-	867	-
Payables on equipment		68,347	1	34,180	-
Other payables	6(8)	298,729	4	302,605	4
Other payables - related parties	7	369	-	420	-
Current tax liabilities	4,6(21)	39,243	-	41,249	1
Lease liabilities, current	4,6(17)	446,568	5	388,932	5
Lease liabilities, current - related parties	4,6(17),7	35,697	-	38,271	1
Current portion of long-term liabilities	4,6(11),8	111,836	1	238,028	3
Other current liabilities		3,338	-	2,567	-
Total current liabilities		1,617,872	19	1,547,471	21
Non-current liabilities					
Financial liabilities at fair value through profit or loss, non-current	4,6(9)	2,463	-	-	-
Bonds payable	4,6(10)	377,230	5	-	-
Long-term loans	4,6(11),8	1,130,675	14	552,193	8
Provisions, non-current	4,6(13)	56,937	-	46,456	1
Lease liabilities	4,6(17)	3,320,304	41	2,934,970	40
Lease liabilities - related parties	4,6(17),7	642	-	35,368	-
Other non-current liabilities		880	-	460	-
Total non-current liabilities		4,889,131	60	3,569,447	49
Total liabilities		6,507,003	79	5,116,918	70
Equity attributable to the parent company	4,6(14&15)				
Share capital					
Common stock		774,703	10	737,343	10
Share capital awaiting retirement		(150)	-	(138)	-
Total share capital		774,553	10	737,205	10
Capital surplus		796,465	10	775,971	11
Retained earnings					
Legal reserve		214,637	3	174,623	2
Special reserve		29,364	-	64,682	1
(Accumulated losses) Unappropriated earnings		(142,189)	(2)	400,135	6
Total retained earnings		101,812	1	639,440	9
Other components of equity		(13,623)	-	(29,364)	-
Treasury shares		(2,801)	-	-	-
Total equity attributable to the parent company		1,656,406	21	2,123,252	30
Non-controlling interests	4,6(14)	8,491	-	16,320	-
Total equity		1,664,897	21	2,139,572	30
Total liabilities and equity		\$8,171,900	100	\$7,256,490	100

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
POWER WIND HEALTH INDUSTRY INCORPORATED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Accounting	Notes	For the years ended December 31			
		2021	%	2020	%
Operating revenues	4,6(16)	\$2,605,977	100	\$3,679,560	100
Operating costs	4,6(12&15&17&18),7	(2,277,284)	(87)	(2,549,920)	(69)
Gross profit		328,693	13	1,129,640	31
Operating expenses	4,6(12&15&17&18),7				
Sales and marketing expenses		(40,984)	(2)	(42,334)	(1)
General and administrative expenses		(480,737)	(18)	(535,938)	(15)
Subtotal		(521,721)	(20)	(578,272)	(16)
Operating (loss) income		(193,028)	(7)	551,368	15
Non-operating income and expenses	4,6(19),7				
Interest income		1,445	-	1,325	-
Other income		81,297	3	20,789	1
Other gains and losses		(3,991)	-	(454)	-
Finance costs		(77,214)	(3)	(64,460)	(2)
Subtotal		1,537	-	(42,800)	(1)
(Loss) income from continuing operations before income tax		(191,491)	(7)	508,568	14
Income tax income (expense)	4,6(21)	48,166	2	(99,937)	(3)
(Loss) profit from continuing operations		(143,325)	(5)	408,631	11
Net (loss) income		(143,325)	(5)	408,631	11
Other comprehensive (loss)					
Items that will not be reclassified to profit or loss					
Unrealized (losses) on investments in equity instruments measured at fair value through other comprehensive income	6(20)	-	-	(299)	-
Total other comprehensive (loss), net of tax		-	-	(299)	-
Total comprehensive income		<u><u>\$(143,325)</u></u>	<u><u>(5)</u></u>	<u><u>\$408,332</u></u>	<u><u>11</u></u>
Net (loss) income attributable to:					
Stockholders of the parent		\$ (142,323)	(5)	\$401,045	11
Non-controlling interests		(1,002)	-	7,586	-
		<u><u>\$(143,325)</u></u>	<u><u>(5)</u></u>	<u><u>\$408,631</u></u>	<u><u>11</u></u>
Comprehensive income attributable to:					
Stockholders of the parent		\$ (142,323)	(5)	\$400,746	11
Non-controlling interests		(1,002)	-	7,586	-
		<u><u>\$(143,325)</u></u>	<u><u>(5)</u></u>	<u><u>\$408,332</u></u>	<u><u>11</u></u>
(Loss) earnings per share (NTD)	6(22)				
Earnings per share - Basic		<u><u>\$(1.91)</u></u>		<u><u>\$5.40</u></u>	
Earnings per share - Diluted		<u><u>\$(1.91)</u></u>		<u><u>\$5.24</u></u>	

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
POWER WIND HEALTH INDUSTRY INCORPORATED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

Accounting	Equity attributable to the parent company											Non-controlling interests	Total equity	
	Common stock	Certificate of entitlement to new shares from convertible bonds	Subscribed stock	Share capital awaiting retirement	Capital surplus	Retained earnings			Other components of equity		Treasury shares			Total
						Legal reserve	Special reserve	Unappropriated earnings (Accumulated losses)	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Unearned rewards for employees				
Balance as of January 1, 2020	\$698,356	\$2,575	\$125	\$0	\$761,071	\$127,610	\$54,367	\$470,441	\$(8,403)	\$(56,279)	\$-	\$2,049,772	\$14,727	\$2,064,499
Appropriation and distribution of 2019 retained earnings:														
Legal reserve	-	-	-	-	-	47,013	-	(47,013)	-	-	-	-	-	-
Special reserve	-	-	-	-	-	-	10,315	(10,315)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	(377,981)	-	-	-	(377,981)	-	(377,981)
Stock dividends	35,132	-	-	-	-	-	-	(35,132)	-	-	-	-	-	-
Other changes in capital surplus														
Equity component of convertible bonds issued by the Company	-	-	-	-	(856)	-	-	-	-	-	-	(856)	-	(856)
Net income for the year ended December 31, 2020	-	-	-	-	-	-	-	401,045	-	-	-	401,045	7,586	408,631
Other comprehensive (loss) for the year ended December 31, 2020	-	-	-	-	-	-	-	-	(299)	-	-	(299)	-	(299)
Total comprehensive income (loss)	-	-	-	-	-	-	-	401,045	(299)	-	-	400,746	7,586	408,332
Convertible bonds conversion		1,592	-	-	16,336	-	-	-	-	-	-	17,928	-	17,928
Conversion of certificate of entitlement to new shares from convertible bonds	4,167	(4,167)	-	-	-	-	-	-	-	-	-	-	-	-
Share-based payment transaction	(312)	-	(125)	(47)	(580)	-	-	209	-	34,498	-	33,643	-	33,643
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(5,993)	(5,993)
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	-	-	-	(1,119)	1,119	-	-	-	-	-
Balance as of December 31, 2020	\$737,343	\$-	\$-	\$(138)	\$775,071	\$174,623	\$64,682	\$400,135	\$(7,583)	\$(21,781)	\$-	\$2,123,252	\$16,320	\$2,139,572
Balance as of January 1, 2021	\$737,343	\$-	\$-	\$(138)	\$775,071	\$174,623	\$64,682	\$400,135	\$(7,583)	\$(21,781)	\$-	\$2,123,252	\$16,320	\$2,139,572
Appropriation and distribution of 2020 retained earnings:														
Legal reserve	-	-	-	-	-	40,014	-	(40,014)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	(358,579)	-	-	-	(358,579)	-	(358,579)
Stock dividends	36,860	-	-	-	-	-	-	(36,860)	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	-	-	(35,318)	35,318	-	-	-	-	-	-
Other changes in capital surplus														
Equity component of convertible bonds issued by the Company	-	-	-	-	11,551	-	-	-	-	-	-	11,551	-	11,551
Net (loss) for the year ended December 31, 2021	-	-	-	-	-	-	-	(142,323)	-	-	-	(142,323)	(1,002)	(143,325)
Total comprehensive (loss)	-	-	-	-	-	-	-	(142,323)	-	-	-	(142,323)	(1,002)	(143,325)
Convertible bonds conversion	-	-	-	-	9,183	-	-	-	-	-	-	9,183	-	9,183
Conversion of certificate of entitlement to new shares from convertible bonds	688	-	-	-	-	-	-	-	-	-	-	688	-	688
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-	(2,801)	(2,801)	-	(2,801)
Share-based payment transaction	(188)	-	-	(12)	(240)	-	-	134	-	15,741	-	15,435	-	15,435
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(6,827)	(6,827)
Balance as of December 31, 2021	\$774,703	\$-	\$-	\$(150)	\$796,465	\$214,637	\$29,364	\$(142,189)	\$(7,583)	\$(6,040)	\$(2,801)	\$1,656,406	\$8,491	\$1,664,897

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



English Translation of Consolidated Financial Statements Originally Issued in Chinese
POWER WIND HEALTH INDUSTRY INCORPORATED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

Accounting	For the years ended December 31	
	2021	2020
Cash flows from operating activities:		
Net (loss) income before tax	\$(191,491)	\$508,568
Adjustments to reconcile net income before tax to net cash provided by operating activities:		
Depreciation	915,940	858,250
Amortization	1,637	411
Net (gain) on financial assets and liabilities at fair value through profit or loss	(87)	(1)
Interest expense	77,214	64,460
Interest income	(1,445)	(1,325)
Compensation costs of share-based payment transaction	15,741	34,498
(Gain) on disposal and abandonment of property, plant and equipment	(69)	(81)
Property, plant and equipment transferred to expenses	6	200
Others	(15,580)	(3,006)
Changes in operating assets and liabilities:		
(Increase) Decrease in notes receivable	(245)	4
(Increase) Decrease in accounts receivable	(10,058)	2,377
(Increase) in inventories	(7,931)	(1,062)
Decrease (Increase) in prepayments	1,340	(3,665)
(Increase) Decrease in other current assets	(33,473)	13,847
(Increase) in other financial assets	(36,949)	(41,505)
Increase in contract liabilities	112,229	75,153
Increase (Decrease) in notes payable	599	(7)
Increase in notes payable - related parties	6	12
(Decrease) in accounts payable	(308)	(561)
(Decrease) Increase in other payables	(9,056)	29,052
(Decrease) Increase in other payables - related parties	(51)	22
Increase (Decrease) in other current liabilities	771	(322)
Cash generated from operations	818,740	1,535,319
Interest received	1,445	1,325
Income tax paid	(42)	(127,157)
Net cash provided by operating activities	820,143	1,409,487
Cash flows from investing activities:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	1,596
Acquisition of property, plant and equipment	(720,809)	(676,909)
Proceeds from disposal of property, plant and equipment	132	95
Acquisition of intangible assets	(11,223)	(1,361)
Increase in other non-current assets	(11,230)	(25,471)
Net cash (used in) investing activities	(743,130)	(702,050)
Cash flows from financing activities:		
Proceeds from bonds issued	400,000	-
Proceeds from long-term loans	712,307	194,630
Repayments of long-term loans	(260,017)	(42,012)
Cash payments for the principal portion of lease liabilities	(419,860)	(404,836)
Increase in other non-current liabilities	420	90
Cash dividends	(358,579)	(377,981)
Payments to acquire treasury shares	(2,801)	-
Interest paid	(9,384)	(7,875)
Change in non-controlling interests	(6,827)	(5,993)
Others	(306)	(855)
Net cash provided by (used in) financing activities	54,953	(644,832)
Net increase in cash and cash equivalents	131,966	62,605
Cash and cash equivalents at beginning of period	658,442	595,837
Cash and cash equivalents at end of period	\$790,408	\$658,442

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



Attachment 8.
2021 Loss off-setting table

Power Wind Health Industry Incorporated

2021 Loss off-setting table

Unit: NT\$

Unappropriated earnings of prior period	0
Less: 2021 Net loss	(142,323,678)
Plus: Earnings returned from new restricted employee shares	134,248
Plus: Reversal of special reserve (Note)	15,741,375
2021 Loss yet to be offset	(126,448,055)
Off-setting items:	
Plus: Legal reserve used to offset loss	126,448,055
Loss yet to be offset at year-end 2021	0

Note: In accordance with the regulations in FSC-Securities-Listed-No.1010012865 released by Financial Supervisory Commission (FSC) on April 6, 2012, once the public listed company starts to adopt the International Financial Reporting Standards to prepare financial statements, it shall set aside an amount for special reserve from current profit and loss and prior unappropriated retained earnings, which is equal to the net deduction of other shareholders' equity in current year, while allocating the distributable earnings. For the deduction of other shareholders' equity accumulated in prior periods, it shall set aside an equal amount for special reserve from prior unappropriated retained earnings and not to be distributed. However, if the company has set aside special reserve in compliance with above regulations, it shall make up the differences between the appropriated amount and the net deduction of other shareholders' equity to special reserve. The reversal, from the remaining balance of the deduction of other shareholders' equity, can be distributed, if any. The reversal amount of special reserve in 2021 is NT\$15,741,375.

Chairman:
George Chen

President:
John Chen

Chief Accounting Officer:
Alex Miao



Attachment 9.
"Rules for Election of Directors"
amendment comparison table



"Rules for Election of Directors" amendment comparison table

Date of amendment: September 6, 2021

Amended Article	Original Article	Reference and reason of amendment
Article 3 (Responsible unit) Department of Finance	Article 3 (Responsible unit) Cashier Division	Amend the responsible unit to Department of Finance
Article 5 (Qualifications and election of independent directors) 1. The independent directors of the Company shall meet the qualification requirements of Article 2, 3, and 4 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. (Hereafter omitted)	Article 5 (Qualifications and election of independent directors) 1. The independent directors of the Company shall meet the qualification requirements of Article 2, 3, and 4 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. (Hereafter omitted)	Amend the typo in the Chinese text.
Article 14 (Enforcement) <u>The 4th amendment was made on September 6, 2021, then implemented after being submitted to the Shareholders' Meeting for approval on June 1, 2022.</u>	Article 14 (Enforcement)	Add the revision history.



Attachment 10.
"Procedures for Acquisition and
Disposal of Assets" amendment
comparison table



"Procedures for Acquisition and Disposal of Assets" amendment comparison table

Date of amendment: April 18, 2022

Amended Article	Original Article	Reference and reason of amendment
<p>Article 4 Appraisal procedures</p> <p>1. In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(1) - (2) Omitted</p> <p>(3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant</p>	<p>Article 4 Appraisal procedures</p> <p>1. In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(1) - (2) Omitted</p> <p>(3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant</p>	<p>To specify the procedures external experts shall follow and the responsibilities, the amendment stipulates that when professional appraisers and their officers, certified public accountants, attorneys, and securities underwriters provide appraisal reports or opinions, they shall comply with the self-regulatory rules of their respective allied associations in addition to applicable matters they shall currently comply with when accepting and conducting a case. The amendment deleted the related words of "CPA shall follow Statement of Auditing Standards."</p>



Amended Article	Original Article	Reference and reason of amendment
shall render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:	shall <u>be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF)</u> and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:	
2. The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial	2. The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. <u>If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20</u>	



Amended Article	Original Article	Reference and reason of amendment
Supervisory Commission (FSC).	<u>published by the ARDF</u> . This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).	
3. Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.	3. Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; <u>the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF</u> .	
6. Professional appraisers and their officers, certified public accountants, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements: (1) - (2) Omitted	6. Professional appraisers and their officers, certified public accountants, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements: (1) - (2) Omitted	1. To specify the procedures external experts shall follow and the responsibilities, the amendment stipulates that when professional appraisers and their officers, certified public



Amended Article	Original Article	Reference and reason of amendment
<p>(3) If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with <u>the self-regulatory rules of their respective allied associations and</u> the following:</p> <p>(1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>(2) When <u>conducting</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>(3) They shall undertake an item-by-item evaluation of the <u>appropriateness</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal</p>	<p>(3) If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <p>(1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>(2) When <u>examining</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>(3) They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p>	<p>accountants, attorneys, and securities underwriters provide appraisal reports or opinions, they shall comply with the self-regulatory rules of their respective allied associations in addition to applicable matters they shall currently comply with when accepting and conducting a case. The amendment deleted the related words of "CPA shall follow Statement of Auditing Standards."</p> <p>2. Given that the work that experts provide appraisal reports or reasonable opinions does not belong to the work of examining financial statements; hence, the word "examining" a</p>



Amended Article	Original Article	Reference and reason of amendment
report or the opinion. (4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>appropriate and</u> reasonable, and that they have complied with applicable laws and regulations.	(4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations.	case is amended to "conducting" a case. In addition, to meet the experts' actual circumstances of evaluation of the sources of data and the parameters used; hence, evaluation of "the comprehensive ness, accuracy, and reasonableness " is amended to "the appropriatenes s and reasonableness. "
Article 10 Implementation and amendments <u>The 5th amendment was made on the Board of Directors on April 18, 2022, then submitted to the 2022 Shareholders' Meeting for approval.</u>	Article 10 Implementation and amendments	Add the revision history.



**Attachment 11.
Issuance Rules of 2022 1st New
Restricted Employee Shares**



Power Wind Health Industry Incorporated

Issuance Rules of 2022 1st New Restricted Employee Shares

1. Purpose of issuance:

In order to attract and retain the professional talents the Company requires, encourage employees and enhance their cohesion, increase the competitiveness and jointly create the biggest benefit for the Company and shareholders, the Company adopts its Issuance Rules of 2022 1st New Restricted Employee Shares in accordance with Article 267 of "Company Act," and related regulations in "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" (hereinafter "the Regulations").

2. Period of issuance:

Within one year since the date of receipt for notice of the competent authority's approval and effectiveness, the new restricted employee shares shall be issued at once or in tranches depending on actual demands. The Chairman is authorized to determine the actual issue date.

3. Type of issued shares:

The Company's common shares. According to the Rules, once the new restricted employee shares are issued, except the shares shall be put in the trust in compliance with the Rules and some rights are restricted before meeting the vesting conditions in compliance with the Rules, other rights are the same as those of the Company's common shares outstanding.

4. Total amount of issuance:

2,000,000 shares in total, with par value of NT\$10 per share. The total amount of issuance is NT\$20,000,000.

5. Price of issuance:

Issue at a price not below (inclusive) NT\$30 per share. After it is resolved by the Shareholders' Meeting, the Board of Directors is authorized to determine the actual issue price on the issue date.

6. Qualification criteria for employees entitled to grant:

(1) It is limited to full-time employees, who work officially on the date the new restricted employee shares are granted, of the Company and controlling or subordinate company. The employees who are entitled to subscribe and the number of shares to be granted shall be determined by the Chairman, after taking into consideration the factors such as seniority, position, work performance, overall contribution, specific achievements, and other conditions necessary for management. Then, the decision shall be submitted to the Board of Directors for approval.



- (2) The number of new restricted employee shares a single employee is entitled to subscribe, plus the number of employee stock warrants such employee is entitled to subscribe, which were issued by the Company in compliance with Article 56-1, paragraph 1 of the Regulations, shall not exceed 0.3% of the total issued shares of the Company. The above, in combination with the number of employee stock warrants a single employee is entitled to subscribe, which were issued by the Company in compliance with Article 56, paragraph 1 of the Regulations, shall not exceed 1% of the total issued shares of the Company.
7. Vesting conditions:
- (1) An employee who remains employed 2 years after receiving the new restricted employee shares, meets the performance criteria of 3 points (inclusive) or above in the first and second years, and did not violate laws and regulations, the Service agreement and Commitment letter of the Company, work rules, Code of Business Conduct and Ethics, and related rules and agreements during the first and second years, will be eligible for vesting 50% of the shares.
 - (2) An employee who remains employed 3 years after receiving the new restricted employee shares, meets the performance criteria of 3 points (inclusive) or above in the third year, and did not violate laws and regulations, the Service agreement and Commitment letter of the Company, work rules, Code of Business Conduct and Ethics, and related rules and agreements during the third year, will be eligible for vesting 25% of the shares.
 - (3) An employee who remains employed 4 years after receiving the new restricted employee shares, meets the performance criteria of 3 points (inclusive) or above in the fourth year, and did not violate laws and regulations, the Service agreement and Commitment letter of the Company, work rules, Code of Business Conduct and Ethics, and related rules and agreements during the fourth year, will be eligible for vesting 25% of the shares.
8. Measures to be taken when employees fail to meet the vesting conditions:
When employees granted the new restricted employee shares in accordance with the Rules fail to meet the vesting conditions, the Company shall buy back all the shares with issue price and cancel the shares.
9. Measures to be taken when employees resign, retire, disable or die due to a work injury, die due to a non-work-related injury, transfer to affiliated companies, leave without pay:
- (1) Employees, under the circumstances of voluntary resignation, severance package due to incompetency, layoff, retirement, or death due to a non-work-related injury, shall be deemed as disqualified from meeting the vesting conditions on the date of resignation, retirement, or death. For those shares not meeting the vesting conditions, the Company shall buy back all the shares with issue price.
 - (2) If employees with severance package but not due to incompetency, meet other vesting conditions in compliance with Article 7 of the Rules in the year of severance package, a portion of shares shall be deemed as meeting the vesting



conditions based on the ratio of the employed days of the year multiplied by the agreed number of shares for vesting of the year in compliance with Article 7 of the Rules. Those shares failing to meet the vesting conditions shall be deemed as disqualified from meeting the vesting conditions on the date of resignation, and the Company shall buy back all the shares with issue price.

- (3) Employees disable or die due to a work injury:
 - A. If employees, who become physically disabled and cannot continue the employment due to a work injury, meet other vesting conditions in compliance with Article 7 of the Rules in the year of resignation, they shall be deemed as meeting all the vesting conditions on the date of resignation. Employees will be eligible to obtain the new restricted employee shares not yet vested.
 - B. If employees, who die due to a work injury, meet other vesting conditions in compliance with Article 7 of the Rules in the year of death, they shall be deemed as meeting all the vesting conditions on the date of death. For the new restricted employee shares not yet vested, the heir may apply to inherit the vesting shares and the disposed equities after completing the necessary legal procedures and providing related identifications.
 - C. Except the aforementioned circumstances, the Company shall buy back all shares failing to meet the vesting conditions with issue price.
- (4) Transfer to affiliated companies:

If employees of the Company, who are requested and designated to transfer to a position in affiliated companies of the Company for business needs, meet other vesting conditions in Article 7 of the Rules in the year of transference, the Chairman or the appointed person by the Chairman shall determine his/her percentage and time limit of meeting the vesting conditions within the scope of timetable and percentage agreed in Article 7 of the Rules.
- (5) Leave without pay:

If employees, who are approved to leave without pay by the Company, meet other vesting conditions in compliance with Article 7 of the Rules in the year of leave without pay being effective, for his/her new restricted employee shares not yet vested, the length of employment seniority set in Article 7 of the Rules shall be extended according to the actual days of leave without pay.
- (6) After the new restricted employee shares not yet vested of employees, who made major contributions to the Company or had specific achievements, and meet the other vesting conditions in Article 7 of the Rules in the year of resignation, but cannot continue to serve due to special circumstances, are appraised and decided by the Chairman whether or not the vesting conditions are met in advance in part or in full, employees can obtain their new restricted employee shares not yet vested in part or in full. However, if the employee is also a managerial officer, the determination shall be submitted to the Remuneration Committee and Board of Directors for approval. The rest not yet met the vesting conditions are deemed as disqualified from meeting the vesting conditions on the date of resignation, and the Company shall buy back all the shares with issue price.
- (7) The Company will cancel the new restricted employee shares bought back in compliance with the Rules.



10. The restrictions of rights after the new shares are subscribed and before employees meet the vesting conditions:

- (1) Employees must put the subscribed new restricted employee shares in custodial trust. Before the vesting conditions are met, employees, unless inherit, may not sell, pledge, transfer, give away shares to others, provide shares as collaterals, or dispose of shares otherwise.
- (2) Rights to vote and elect in the Shareholders' Meeting: The trust depository institution shall exercise on their behalf in compliance with related laws and regulations.
- (3) The other rights of the new restricted employee shares received by employees in accordance with the Rules before the vesting conditions are met include but not limited to dividends, bonus, distribution right of capital reserve and subscription right of cash capital increase, etc., which are the same as those of the Company's common shares outstanding.

11. Taxes:

- (1) All kinds of taxes occurred due to the subscription of the new restricted employee shares shall be governed by the applicable laws and regulations of R.O.C.
- (2) If securities transaction tax occurs under the laws and regulations of R.O.C. when the Company buys back the new restricted employee shares in compliance with the Rules, the Company is responsible for the payments.

12. Other important terms and conditions:

- (1) The new restricted employee shares received by employees in accordance with the Rules must be put in a custodial trust before the vesting conditions are met, and the Company or the personnel designated by the Company shall sign a trust contract with the stock trust depository institution. Within one month the vesting conditions are met, the vesting part of shares in custodial account shall be transferred to employees' personal depository accounts.
- (2) Contract signing and Confidentiality
 - A. After the total issued unit of new restricted employee shares, subscription price, principle of allocation, the list of employees entitled to subscribe, and other matters are confirmed, the responsible unit of the Company will inform the employees to sign the Grant agreement, trust contract and other related documents. Employees, who are entitled to subscribe but not signing the related documents, will lose the subscription right.
 - B. All employees who are entitled to subscribe shall abide by confidentiality regulations of the Company and not inquire or disclose the related contents and the number of new restricted employee shares granted. For any violation, the Company shall punish depending on the seriousness of such matter.
 - C. Employees, who subscribe the new restricted employee shares under the Rules, or the holders of its equity derivatives, shall abide by the Rules, the Grant agreement and the trust-related rules.



13. Enforcement and amendment:

- (1) The Rules and any amendments before issuance shall be made only after being approved by the majority votes in a meeting of Board of Directors at which two-thirds or more directors are present, and resolved by the Shareholders' Meeting, then being submitted to the competent authority for approval and effectiveness. During the process of handling the documents for review, if any revision or adjustment must be made due to the request of the competent authority, the Chairman is authorized to amend the Rules. Still, it shall be submitted to the Board of Directors for ratification before issuance.
- (2) Any other matters not set forth herein shall be dealt with in accordance with the applicable laws and regulations.