

CATCHER TECHNOLOGY CO., LTD

2020 ANNUAL SHAREHOLDERS' MEETING

(Translation)

June 30, 2020

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Note:

• Minutes of 2020 Annual Shareholders' Meeting will be available on CATCHER's website (<http://www.catcher-group.com>) within 20 days after the Meeting.

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DISCLAIMER:

For the convenience of readers, the procedure, agenda, attachments, and appendix of CATCHER's Annual Shareholders' meeting have been translated into English from the original Chinese version prepared and used in Taiwan, the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language version shall prevail.

I. MEETING PROCEDURE

CATCHER TECHNOLOGY CO., LTD

2020 ANNUAL SHAREHOLDERS' MEETING PROCEDURE

- I. Call Meeting to Order
- II. Chairman's Address
- III. Report Items
- IV. Matters for Ratification
- V. Matters for Discussion & Election
- VI. Elections: To elect a new director
- VII. Other Business and Special Motion
- VIII. Meeting Adjourned

II. MEETING AGENDA

CATCHER TECHNOLOGY CO., LTD 2020 ANNUAL SHAREHOLDERS' MEETING AGENDA (Translation)

The 2020 Annual Shareholders' Meeting (the "Meeting") of Catcher Technology Co., Ltd. (the "Company") will be convened at 10:00 a.m., Tuesday, June 30, 2020 at Silks Place Tainan Hotel (2F, No. 1, Heyi Rd., West Central Dist., Tainan City, Taiwan ROC)

1. The agenda for the Meeting is as follows:

I. Report Items

- (1) To report 2019 business report
- (2) To report 2019 Audit Committee's review report
- (3) To report 2019's distribution of employees and directors' compensation
- (4) To report the execution of the share buyback plan
- (5) To report distribution of 2019 profits

II. Matters for Ratification

- (1) To accept 2019 Business Report and Financial Statements
- (2) To approve the proposal for distribution of 2019 profits

III. Matters for Discussion & Election

- (1) To raise funds through issuing new shares or GDR
- (2) To elect a new Director

IV. Other Business and Special Motion

2. The major items of the proposal for distribution of 2019 profits adopted at Board of Directors meeting are as follows:

Each common share holder will be entitled to receive a cash dividend of NT\$10.0 per share. The record date will be decided by the Board of Directors.

3. Elections: To elect a new director

- (1) There will be one Director to be elected at the Meeting.
- (2) Candidate of Director: Shui Sung Hung
(Representative of Yung Yu Investment Company)
- (3) Education and experience of the candidates: please refer to [<http://mops.twse.com.tw>]

1. Report Items

1. To report 2019 business report

Explanatory Notes: Please refer to Attachment I.

2. Audit Committee's review report of 2019

Explanatory Notes: Please refer to Attachment II.

3. To report the distribution of compensation for employees and directors of 2019

Explanatory Notes: Please refer to Attachment III

4. To report the execution of the share buyback plan

Explanatory Notes: Please refer to Attachment IV

5. To report distribution of 2019 profits

Explanatory Notes: (1) The proposed profits distribution is allocated from Retained Earnings in 2019 Available for Distribution. Please accept the proposal for profits distribution as below, which was approved by Board of Directors in accordance with Articles of Incorporation. (2)The total proposed cash dividend amounts are NTD 7,616,180,690, equivalent to NTD 10 per share by the Board of Directors on May 18th, 2020. The total amount of common shares outstanding may change and the ultimate cash dividend to be distributed to each common share may need to be adjusted accordingly. (3) It is proposed that the Board of Directors of CATCHER should be authorized to adjust the record date and cash dividend to be distributed to each common share based on the total amount of profits resolved to be distributed and the number of actual common shares outstanding on the record date for distribution.

2. Matters for Ratification

1. To accept 2019 Business Report and Financial Statements

Explanatory Notes: (1) CATCHER's 2019 Financial Statements, including Balance Sheets, Income Statements, Statements of Changes in Shareholders' Equity, and Cash Flow Statements, were approved by board of directors. The Financial Statements were audited by independent auditors, Ms. Chi Chen Lee and Mr. Chun Chi Kung, of Deloitte & Touche and also reviewed by Audit Committee. The aforementioned Financial Statements and Auditors' report are attached hereto as Attachments VI.

(2) Please accept the 2019 Business Report, Financial Statements, and Consolidated Financial Statements.

2. To approve the proposal for distribution of 2019 profits

Explanatory Notes: (1) The proposed profits distribution is allocated from Retained Earnings in 2019 Available for Distribution. Please accept the proposal for profits distribution as below, which was approved by Board of Directors in accordance with Articles of Incorporation. Please refer to Attachments V.

3. Matters for Discussion & Election

1. To raise funds through issuing new shares or GDR

Explanatory Notes:

In order to expand capacity in the future, enrich working capital, meet the other funding needs for long-term development, or get more diversified and flexible funding sources, it is hereby proposed that the shareholders meeting to authorize the Board of Directors ("Board") to raise fund, depending on the market conditions and the Company's capital needs, to choose appropriate timing and fund raising method(s), to issue new common shares for cash in public offering and/or issue Global Depository Receipt (GDR), in accordance with the applicable laws and regulations and the following fund raising method principles.

I. Authorizing Board for the Issuance of new common shares for cash to sponsor GDR Offering :

- (i) The issuance of new shares is limit to a maximum of 50,000,000 shares. The Board of Directors and Chairman of CATCHER are authorized to adjust the new issuance of the common shares based on the aforementioned maximum quota.
- (ii) The issue price of the new common shares will be decided with reference to the closing price of the Company's common shares on the pricing date or the average of the closing price of the Company's common shares for 1, 3 or 5 trading days prior to the pricing date (referred to hereinafter as the "reference price"). The actual price shall not be less than 90% of the reference price. The Chairman is authorized to determine the actual issue price in accordance with market conditions or regulation requirements. The reference price and the actual price will be decided in accordance with market practice and applicable law. In addition, assuming that the Company issues 50,000,000 common shares which are approximately 6.6% of the Company's total outstanding common shares. Given that the issuance of new shares is going to enhance company's competitiveness and then increase shareholders' value, thus it is unlikely that such issuance will have a material dilutive effect on the holding of the current existing shareholders.
- (iii) Except for 10% -15% of the new common shares shall be allocated for the employees' subscription in accordance with the applicable law, it is proposed for the shareholders meeting to approve the rights to subscribe to the remaining shares shall be waived by the shareholders and such remaining shares should be offered to the public under Article 28-1 of the Securities and Exchange Act as the underlying shares of the global depository shares to be sold in the DR Offering. Any new common shares not subscribed by employees of the Company shall be determined by the Chairman, depending on the market needs, to be allocated as underlying shares of the global depository shares or to be subscribed by the designated person(s).
- (iv) The uses of the proceeds of this issuance are for building facilities or purchasing factories, equipment, materials, or to repay bank loans, re-invest, enrich working capital, which are expect to complete in 3 years.
- (v) The Board/Chairman are authorized to determine or adjust the major terms of this new issuance, including but not limit to the issue price, issuance shares /amount, terms, uses/sources of fund, schedule, and results etc., according to the market condition or regulatory requirement.
- (vi) To complete the issuance, the board, the Chairman or the Chairman's designee is authorized, on behalf of the Company, to handle all matters relating to, and sign all agreements and documents in connection with the issuance of the new common shares to sponsor the GDR Offering.
- (vii) After the approval of this offering by authorities, the Chairman is authorized to handle or complete all the process or matters with regard to the issuance of new shares.
- (viii) The Chairman is authorized to handle all matters which are not addressed herein in accordance with the applicable laws and regulations.

II. Authorizing Board for the Issuance of new common shares for cash in public offering:

- (i) The issuance of new shares for cash in public offering is limit to a maximum of 50,000,000 shares.
- (ii) The par value of the new common shares to be issued per share is NT\$10. It is proposed to authorize the Chairman to coordinate with the underwriter(s) of the public offering to determine the actual issue price in accordance with the relevant provisions of the Chinese Securities Association Regulations Governing Underwriters' Assistance in Offering and Issuance of Securities by Issuing Companies and the market conditions which issue price shall be reported to the regulatory authority before issuance.
- (iii) It is proposed to authorize the Board to choose either of the following methods to sell the new shares in the public offering through the underwriter(s) :
 - (a) Except for 10% to 15% of the new shares must be offered to employees in accordance with Article 267, Paragraph I of the Company Act, it is proposed for the shareholders meeting to approve the pre-emptive rights to subscribe to the remaining shares to be waived by the shareholders in accordance with Article 28-1 of the Securities and Exchange Act and such remaining shares will be offered to the public via book building. It is proposed that any new common shares not subscribed by employees of the Company will be sold to the person(s) designated by the Chairman of the Company at the issue price.
 - (b)
 - (1) Except for 10% to 15% of the new shares must be offered to employees in accordance with Article 267, Paragraph I of the Company Act, it is proposed that 10% of the new shares to be sold to the public through the underwriter(s) and the remaining shares will be subscribed to by the existing shareholders of the Company in accordance with their shareholding. It is proposed that any new common shares not subscribed by employees and shareholders of the Company will be sold to the person(s) designated by the Chairman of the Company at the issue price.The Chairman is authorized to choose the method of issuance in public offering, and to handle all matters which are not addressed herein in accordance with the applicable laws and regulations.
 - (2) It is proposed to authorize the Chairman to coordinate with the underwriter(s) of the public offering to determine the actual issue price in accordance with the relevant provisions of the Chinese Securities Association Regulations Governing Underwriters' Assistance in Offering and Issuance of Securities by Issuing Companies and the market conditions which issue price shall be reported to the regulatory authority before issuance.
- (iv) The rights of the new shares are equivalent to the current outstanding shares'.
- (v) The uses of the proceeds of this issuance are for building facilities or purchasing factories, equipment, materials, or to repay bank loans, re-invest, enrich working capital, which are expect to complete in 3 years. The execution of the plan is expected to enhance the competitiveness and the operating efficiency of the Company, which shall benefit the shareholders.
- (vi) The Board/Chairman are authorized to determine or adjust the major terms of this new issuance, including but not limit to the issue price, shares issuance/amount, terms, uses/sources of fund, schedule, and results etc., with consideration the market condition or regulatory requirements.
- (vii) After the approval of this offering by authorities, the Chairman is authorized to determine the matters related to the issuance, including but not limit to record date...etc.
- (viii) The board is authorized to handle, complete, or adjust all the process or issues with regard to the issuance of new shares, according to any market condition or regulatory requirement.
- (ix) The Chairman is authorized to handle all matters which are not addressed herein in accordance with the applicable laws and regulations.

2. To elect a new Director

Explanatory Notes: There will be one Director to be elected at the Meeting. Catcher's director was discharged for transferring more than half of shares being held at the time he was elected during his term in office. The term of the new director is from June 30, 2020 to June 11, 2022. The list of candidates has been approved by the board of directors of the company on May 18, 2020. Shareholders should vote based on the list of director candidates. Please refer to Attachment VI for details. Please refer to Appendix II for "The Rules for Election of Directors"

4. Other Business and Special Motion

Attachment I

2019 Business Report

Dear Shareholders,

Due to the intensified global trade relationship, Brexit and regional geopolitical instability etc., the global economy was continuously affected in 2019. Although the economy is still growing slowly, conflicts and hidden problems still exist.

As the market volatility, seasonality and uncertainty are more serious than before, corporate is facing a more severe operating environment. Thanks to the efforts of all employees, Catcher Technology has overcome the gloom of sluggish demand in the first half of the year and created a strong growth performance in the second half of the year. In 2019, the group's revenue reached NT \$ 91.6 billion, which was only slightly lower than NT\$95.4bn in 2018.

In the past year, Catcher moves forward with more solid and diversified in operation and technologies. Catcher not only strengthened its position in the supply chain, but also penetrated into other sectors. As for products, Catcher continues to strengthen its leading position by adding new products. With better automation and execution capabilities, Catcher continues to perform above-industry financial results.

Catcher, as the leading global brand in the structure component, has the most complete process matrix capability, client bases, and production line. In the long term, Catcher still sees the growth trend in the industry, and will continue to utilize its diversified material, process, innovation, production techniques, vertical integration, leading automation, the best cost structure, and high sales scale, to raise the entry barriers of the structure component industry, and reinforce the leading position in the market.

Looking forward to 2020, COVID-19 affected our business strategy and left higher uncertainty for this year. Catcher will take a stable approach. In addition to existing products, we will more aggressively introduce with new products and new customers. We will leverage our superior industry position and diversification as the mid to long term growth drivers.

Industry Development and Outlook

In this competitive smart device industry, innovation, quality, and value are still the focuses of brand customers. In smartphone, notebook, and tablet PC, companies with mid-high end products still enjoy higher earnings than peers. Hence, brand customers are adding mid-high end products' portion, at the same time increasing shipment. With this trend, we see rising adoption rate of high-end metal and composite material. Clients continue to enhance level of complexity, and develop new surface treatment technologies with casing suppliers, which contribute to the high customization, high complexity, high degree of difficulties of casing production. Catcher continues to fully utilize various materials, different process, the best execution, and mass production capabilities, to deliver the best result for clients.

Although there are numerous number of material and process on the market, only metal can provide this best-in-class quality, structure, intensity, and complete protection for the casing. In the high-end structure component, metal structure components possess the most complete supply chain, and best cost structure for mass production. Metal plus unibody process can provide high quality, lightness, thinness, and firmness, which cannot be replaced by other material or process. Besides, metal is a green material, which can be fully recycled for the best benefit of the globe. The large capacity requirement, along with the features mentioned above, we see a more predictable trend for material, process, and design in casing sector. For the mid-high end products, metal is still the best solution. Either aluminum, Mg, or stainless steel; the whole casing or frame design, belongs to the definition of "unibody", and is the main product and competitive advantage of Catcher.

In the past few years, many global smartphone brands released smartphones with the design of frame plus glass cover. This design didn't diminish the importance of metal, but actually enhance it, due to the higher complexity, thinner design, and higher strength. This corresponded to Catcher's view-more predictable in material and process.

Financial performance

The consolidated revenue of the Catcher Group in 2019 was NT\$91.6 billion. The consolidated gross profit margin of the group was 24%. The consolidated net profit after tax was NT\$11.272 billion, and the basic earnings per share was NT\$14.63.

Operation Results (Group)

Unit: in thousand NTD

Item	2019		2018	
	Amount	%	Amount	%
Sales revenues	91,628,115	100%	95,416,141	100%
Gross Profit	22,266,895	24%	38,624,196	40%
Operating income	14,109,148	15%	29,604,362	31%
Income before tax	19,983,261	22%	41,319,136	43%
Net income	11,272,124	12%	27,972,188	29%

Profitability (Group)

Item	2019	2018	
Return on assets	5%	12%	
Return on equity	8%	20%	
Percentage of capital	Operating income	183%	434%
	Income before tax	259%	425%
Net income to sales	12%	29%	
EPS (NTD)	\$14.63	\$36.31	

Research and Development

In order to maintain the company's leading position, we keep applying various composite materials, and developing more advanced technologies. By calling on its rich experience in basic material science and physical/chemical surface treatments, Catcher adopts different materials and different processes in combination with a variety of secondary processing and surface treatments in a multilayer, multi-directional approach to make products and an in-house technology with high precision, high value-added, and high mass production capacity.

The current directions in research and development include special magnesium alloys, aluminum alloys, stainless steel, carbon (glass) fiber, plastic

casing, glass, powder and other metal applied on products' casing and structural design. Catcher offers customers with one-stop shopping solutions based on the complete and strong technology matrix. In addition, the company also adopts laser engraving of components, along with seamless welding, metal /plastic injection mold techniques, etching and multi-color surface treatment techniques, and high precision extrusion techniques for large metal casing in smartphones, notebooks and tablets to achieve the high quality. Besides, the company also invests a lot of effort in extending into other niche products.

With the handheld devices moving toward high frequency, high speed, and high computing, 5G/heat dissipation become critical issues. Catcher will dedicate more research resources in this area as this could be a challenge and opportunity to Catcher and other peers.

Business strategies

Catcher made a large investment in production automation, which has already contributed significantly to the production management. Therefore, it is the key to enhance the production stability, productivity, and expand the capacity further. We will aim to actively achieve human resource optimization and accumulate resources for progress. To boost the company's growth, we will continue our development of core products and technologies, expansion of new customers, and diversification of applications.

Besides achieving business goals, Catcher also puts efforts in Corporate Social Responsibility. Catcher formed a team focusing on corporate social responsibility, publishing corporate social responsibility report, investing in green energy, promoting the investigation on greenhouse-gas, setting goal of energy saving and carbon reduction, attending charitable activities, earning Sports Enterprise Certification, and enhancing the communication with stakeholders

Important sales policies

In terms of the outlook of the metal casing business: We still expect smartphones to continue to be the largest growth driver. We also see notebooks and tablets as other main drivers of company's revenue. Overall, looking at the design trend of each consumer electronic device mentioned above, metal will be the best solution.

Catcher will keep fully utilizing its competitive advantages to continuously increase capacity at a steady pace to meet customers' demands and to gradually implement fastest manufacturing/sales support for the customers. In order to achieve instant customer services, sales, manufacturing, and R&D will be closer to the customers with the aim to progress at the same pace as the customers.

Effects of external competition, legislative environment, and macro environment

In terms of external competition, the IT electronics industry will be increasingly compressed as technology progresses in leaps and bounds and new products are being constantly launched. The general positive outlook of metal component parts is drawing a wave of new competitors, creating a significant amount of pressure on the existing businesses. However, competition is inevitable and serves to maintain positive catalyst among this industry. In order to ensure our leading position, the company pays close attention to the markets and technological development and changes by collecting and analyzing the information on different materials and manufacturing process. The objective is to reduce the impact of changes in technology while continuing to enhance advanced technologies. In addition to investing in basic material science, the company also reinforces development in different material molding as well as processing and surface treatments, enhances core R&D techniques, and diversifies its products and lift them onto higher levels to secure and stabilize profits. Excellent production techniques and huge capacity will be utilized to provide premium customer services in order to strengthen long term relationships.

With respect to the legislative environment in Taiwan and overseas, countries around the world have been launching environmental protection laws regarding electronic products. In addition, the tier-1 brand customers set the high requirement on its suppliers' code and demand all of the vendors to comply strictly. The company has always been committed to environmentally friendly production processes and will undoubtedly meet the legislative requirements and keep up with the global trend. The company will continue to monitor, update, and comply with any new legislative implementation in order to decrease management risk.

As the macro environment becomes more complex, it becomes more difficult to anticipate the changes and volatilities. The company will take into account the industry conditions and macroeconomics, and carefully evaluate and select the best strategies.

Business outlook and targets

Catcher has been focusing on smartphones, notebooks, tablets, and wearable devices. In 2020, although suffering from impact of COVID-19, Catcher still expects more new products from Non-consumer electronics area, and we will continue to diversify company's customer mix.

For smartphone market in 2019, Credit Suisse indicates the shipment of smartphones was around 1.373 billion, down 2.1% y-y from 1.403 billion last year. They also estimates the smartphone will decrease to 1.284 billion units in 2020, but up 6.9% to 1.373 billion units in 2021. High value-added and product differentiation will be the fundamental for tier 1 brands to expand market share. Moreover, to reach the goal of transmission speed, metal casing has become more complicated and the enhance difficulty of manufacturing. The trend of metal casing design also leads to the "bigger gets bigger" in the industry. As a result, the strong demand of metal casing will keep growing, which also represents its irreplaceability.

Morgan Stanley states notebook shipments of 2019 were 170.1 million, compared to 163.6 million units in 2018, up 4.0% y-y. They estimates that the NB will decline to 154.8 million units in 2020 but grow back to 165.6 million in 2021. Overall notebook market will return stabilize and orders are concentrating to leading brands, which leads to higher penetration of high-end metal casing and hybrid design. Therefore, We expect to see continuous growth in NB business in 2020.

Morgan Stanley indicates the shipment of Tablet PC in 2019 was around 144 million units, compared with 146 million in 2018, down by 1.34%. They forecast that tablet will slightly decrease to 126/119 million units in 2020/2021 and the market gradually becomes stable. Even though big screen smartphones replace some demand of small tablets, tablets still create market segmentation due to launch of big tablet, trend of 2-in-1 and needs for education. After development in the past few years, the concentration of tablet market is getting higher. Consider to the strength of portable mobile device, metal casing is definitely one of the most significant specs.

Chairman Shui-Shu Hung



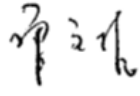
Attachment II:

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2019 Financial Statements. Independent auditors, Certified Public Accountants of Deloitte & Touche, have audited the Financial Statements. The Financial Statements have been reviewed and determined to be correct and accurate by the Audit Committee of CATCHER. The Audit Committee hereby submits this report according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Catcher Technology Co., Ltd.

Audit Committee convener

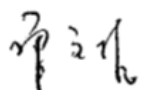


March 10, 2020

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2019 business report, and Earning Distribution Statement for the year of 2019. The business report, and Earning Distribution Statement have been reviewed and determined to be correct and accurate by the Audit Committee of CATCHER. The Audit Committee hereby submits this report according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Catcher Technology Co., Ltd.

Audit Committee convener 

March 18, 2020

Attachment III: Distribution of Compensation for Employees and Directors

The Distribution for compensation to Directors and Employees

On March 10, 2020 the Board of Directors resolved the dividends distribution in cash:

Item	Proposed amount
Directors' Compensation	\$ 16,443,836
Employees' Compensation	\$ 950,847,050

No difference between the amounts resolved by the Board of Directors and the amounts accrued as expense in book.

Attachment IV:

Catcher Technology CO., LTD
The execution of share buyback plan

2020/05/05

Number of times	First
Share buyback plan	
Date of the board of directors resolution	2020/03/17
Purpose of the share repurchase	To maintain the Company's shareholders' equity
Scheduled period for the repurchase	2020/03/18~2020/05/17
Repurchase price range	NT\$132.00~NT\$354.20
Number of shares to be repurchased	25,000,000 shares
Ratio of the shares to be repurchased to total issued shares of the Company	3.25%
Statutory ceiling on total monetary amount of the repurchase	NT\$6,000,000,000

The execution of share buyback plan	
Date of expiry of the repurchase period or completion of the repurchase	2020/03/19~2020/05/15
Number of shares repurchased	8,773,000 shares
Ratio of cumulative number of own shares held during the repurchase period to the total number of the Company's issued shares	1.14%
Total monetary amount of shares repurchased	NT\$1,796,022,500
Average repurchase price per share	NT\$204.72
Reason for non-completion of the share repurchase at expiry of the repurchase period	To achieve the objective of securing shareholders interests, share repurchase will be executed in separate batches depending on market condition. Therefore, the announced shares buyback plan has not been fully executed.

Attachment V:

CATCHER Technology Profits Distribution for 2019

Unit: NTD	
Retained Earnings at the beginning of this period	\$95,627,049,851
Adjustment to capital surplus due to non-proportional investment	<u>(4,892,336)</u>
Retained Earnings after adjustment	95,622,157,515
Profits for current year	11,272,123,771
Minus: Special Reserve	(4,778,189,442)
Minus: Legal Reserve	<u>(1,127,212,377)</u>
Retained Earnings Available for Distribution	<u>100,988,879,467</u>
Dividends- Cash (NTD 10 per share)	<u>(7,616,180,690)</u>
Retained Earnings at the end of this period	93,372,698,777

- (1) The dividends distributed come from 2019 profits
- (2) On November 9, 2019, the board resolved not to distribute earnings for the first half of the year and maintain dividend distribution on annual basis.
- (3) Cash dividend distributions are calculated based on Catcher's outstanding shares of 761,618,069 shares as of May 18, 2020.
- (4) The cash dividend will be rounded till dollar. All cash dividend less than one dollar will be transferred into other revenues of the company.

Attachment VI: Independent Auditor's Report and 2019 Financial Statements

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Catcher Technology Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Catcher Technology Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2019 and 2018, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2019 and 2018, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission (FSC), the Republic of China (ROC).

Basis for Opinion

We conducted our audit of the consolidated financial statements for the year ended December 31, 2019 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, Rule No. 1090360805 issued by the Financial Supervisory Commission of the Republic of China on February 25, 2020, and auditing standards generally accepted in the Republic of China. We conducted our audit of the consolidated financial statements for the year ended December 31, 2018 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 Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2019. 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.

The key audit matter identified in the Group's consolidated financial statements for the year ended December 31, 2019 is as follows:

As stated in Notes 4(f), 5(a) and 11 to the accompanying consolidated financial statements, as of December 31, 2019, the Group's net inventory amounted to NT\$14,163,693 thousand (net of obsolescence loss of NT\$1,797,048 thousand). Such inventory loss represents approximately 11% of the total inventory. The Group operates in a fast-changing industry whereby developments in product technology and market demand may result in slow moving or obsolete inventory. Because the evaluation of inventory impairment and obsolescence loss involves management's material estimations, we deemed such valuation to be a key audit matter.

The main audit procedures that we performed in regard of this key audit matter include:

We determined the appropriateness of the Group's methodology for the evaluation of inventory impairment and obsolescence loss based on our understanding of the business and industry, coupled with our understanding of the nature and aging of the inventory.

We obtained the valuation report of the net realizable value of the inventory and assessed the reasonableness of the inventory valuation by sample-selecting inventory items and comparing their carrying amounts to the latest sales prices.

Other Matter

We did not audit the financial statements for the year ended December 31, 2018 of one associate, Sinher Technology Co., Ltd. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts for this associate, was based solely on the report of other auditors. The amount of the equity method investment in the abovementioned associate was NT\$0 thousand, or 0% of the Group's consolidated total assets as of December 31, 2018. The Group's share of the comprehensive income recognized under the equity method was NT\$30,638 thousand, or 0.11% of the Group's consolidated comprehensive income, for the year ended December 31, 2018.

We have also audited the parent company only financial statements of Catcher Technology Co., Ltd. as of and for the years ended December 31, 2019 and 2018 on which we have issued an unqualified opinion report and an unqualified opinion modified report, respectively.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the FSC of the ROC,

and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2019 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chi Chen Lee and Chun Chi Kung.

Deloitte & Touche
Taipei, Taiwan
Republic of China
March 10, 2020

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2019		December 31, 2018	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 69,017,246	28	\$ 29,304,500	11
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	324,380	-	341,864	-
Financial assets at amortized cost - current (Notes 4 and 9)	82,549,645	34	113,057,073	44
Notes receivable (Notes 4 and 10)	-	-	33	-
Trade receivables (Notes 4 and 10)	23,603,964	10	25,023,569	10
Other receivables (Note 4 and 10)	656,973	-	740,196	-
Current tax assets (Note 4 and 27)	23,503	-	-	-
Inventories (Notes 4, 5 and 11)	14,163,693	6	25,184,994	10
Prepayments for leases (Note 18)	-	-	44,660	-
Other current assets (Note 19)	1,505,128	1	2,808,349	1
Total current assets	191,844,532	79	196,505,238	76
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	543,130	-	294,235	-
Financial assets at amortized cost - non-current (Notes 4 and 9)	994	-	874	-
Investments accounted for using the equity method (Notes 4 and 13)	12,295	-	-	-
Property, plant and equipment (Notes 4 and 14)	41,296,514	17	50,264,399	20
Right-of-use assets (Note 4, 5 and 15)	1,986,704	1	-	-
Investment properties (Notes 4 and 16)	535,848	-	592,731	-
Intangible assets (Notes 4 and 17)	101,455	-	125,689	-
Deferred tax assets (Notes 4 and 27)	6,433,654	3	6,160,943	2
Long-term prepayments for leases (Note 18)	-	-	1,900,151	1
Other non-current assets (Note 19)	359,147	-	1,315,653	1
Total non-current assets	51,269,741	21	60,654,675	24
TOTAL	\$ 243,114,273	100	\$ 257,159,913	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 20)	\$ 70,352,230	29	\$ 73,633,259	29
Contract liabilities - current (Notes 4 and 25)	25,614	-	35,176	-
Notes payable (Note 21)	23,824	-	29,271	-
Trade payables (Note 21)	11,200,215	5	14,165,288	5
Other payables (Note 22)	8,814,643	4	9,896,239	4
Current tax liabilities (Notes 4 and 27)	1,446,742	-	3,925,637	1
Lease liabilities - current (Note 4, 5 and 15)	29,596	-	-	-
Other current liabilities (Note 22)	1,378,140	-	2,305,614	1
Total current liabilities	93,271,004	38	103,990,484	40
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4, 5 and 27)	1,097,275	1	36,897	-
Lease liabilities - non-current (Note 4, 5 and 15)	131,173	-	-	-
Net defined benefit liabilities - non-current (Notes 4 and 23)	6,558	-	6,552	-
Other non-current liabilities (Note 22)	19,756	-	1,801,665	1
Total non-current liabilities	1,254,762	1	1,845,114	1
Total liabilities	94,525,766	39	105,835,598	41
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 24)				
Share capital - ordinary shares	7,703,911	3	7,703,911	3
Capital surplus	20,237,791	8	20,238,740	8
Retained earnings				
Legal reserve	18,404,919	8	15,607,700	6
Special reserve	7,410,317	3	6,207,055	3
Unappropriated earnings	106,894,281	44	108,872,223	42
Total retained earnings	132,709,517	55	130,686,978	51
Other equity	(12,188,506)	(5)	(7,410,316)	(3)
Total equity attributable to owners of the Company	148,462,713	61	151,219,313	59
NON-CONTROLLING INTERESTS	125,794	-	105,002	-
Total equity	148,588,507	61	151,324,315	59
TOTAL	\$ 243,114,273	100	\$ 257,159,913	100

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

(With Deloitte & Touche auditors' report dated March 10, 2020)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2019		2018	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4 and 25)	\$ 91,628,115	100	\$ 95,416,141	100
OPERATING COSTS (Notes 11, 23 and 26)	<u>69,361,220</u>	<u>76</u>	<u>56,791,945</u>	<u>60</u>
GROSS PROFIT	<u>22,266,895</u>	<u>24</u>	<u>38,624,196</u>	<u>40</u>
OPERATING EXPENSES (Notes 23 and 26)				
Selling and marketing expenses	663,740	1	582,933	-
General and administrative expenses	5,074,656	5	6,418,008	7
Research and development expenses	<u>2,419,351</u>	<u>3</u>	<u>2,018,893</u>	<u>2</u>
Total operating expenses	<u>8,157,747</u>	<u>9</u>	<u>9,019,834</u>	<u>9</u>
PROFIT FROM OPERATIONS	<u>14,109,148</u>	<u>15</u>	<u>29,604,362</u>	<u>31</u>
NON-OPERATING INCOME AND EXPENSES (Note 26)				
Interest income	4,152,640	5	2,883,113	3
Other income	3,366,833	4	4,416,882	5
Foreign exchange gains (losses), net	(763,882)	(1)	4,690,138	5
Other gains	88,016	-	176,122	-
Interest expenses	(959,764)	(1)	(470,027)	(1)
Share of profit (loss) of associates	<u>(9,730)</u>	<u>-</u>	<u>18,546</u>	<u>-</u>
Total non-operating income and expenses	<u>5,874,113</u>	<u>7</u>	<u>11,714,774</u>	<u>12</u>
PROFIT BEFORE INCOME TAX	19,983,261	22	41,319,136	43
INCOME TAX EXPENSE (Notes 4 and 27)	<u>8,685,441</u>	<u>10</u>	<u>13,324,283</u>	<u>14</u>
NET PROFIT	<u>11,297,820</u>	<u>12</u>	<u>27,994,853</u>	<u>29</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 24)				
Items that will not be reclassified subsequently to profit or loss:				

Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(31,338)	-	668,323	1
Share of the other comprehensive income of associates accounted for using the equity method	<u>-</u>	<u>-</u>	<u>5</u>	<u>-</u>
	<u>(31,338)</u>	<u>-</u>	<u>668,328</u>	<u>1</u>

(Continued)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2019		2018	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	\$ (4,751,756)	(5)	\$ (1,199,766)	(1)
Share of the other comprehensive income of associates accounted for using the equity method	<u>-</u>	<u>-</u>	<u>3,129</u>	<u>-</u>
	<u>(4,751,756)</u>	<u>(5)</u>	<u>(1,196,637)</u>	<u>(1)</u>
Other comprehensive loss for the year, net of income tax	<u>(4,783,094)</u>	<u>(5)</u>	<u>(528,309)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 6,514,726</u>	<u>7</u>	<u>\$ 27,466,544</u>	<u>29</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 11,272,124	12	\$ 27,972,188	29
Non-controlling interests	<u>25,696</u>	<u>-</u>	<u>22,665</u>	<u>-</u>
	<u>\$ 11,297,820</u>	<u>12</u>	<u>\$ 27,994,853</u>	<u>29</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	\$ 6,493,934	7	\$ 27,445,775	29
Non-controlling interests	<u>20,792</u>	<u>-</u>	<u>20,769</u>	<u>-</u>
	<u>\$ 6,514,726</u>	<u>7</u>	<u>\$ 27,466,544</u>	<u>29</u>
EARNINGS PER SHARE (Note 28)				
Basic	<u>\$ 14.63</u>		<u>\$ 36.31</u>	
Diluted	<u>\$ 14.53</u>		<u>\$ 35.87</u>	

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

(With Deloitte & Touche auditors' report dated March 10, 2020)

(Concluded)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2019 AND 2018
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company							Total	Non-controlling Interests	Total Equity
	Retained Earnings					Other Equity				
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income			
BALANCE AT JANUARY 1, 2018	\$ 7,703,911	\$ 20,270,956	\$ 13,423,375	\$ 2,487,529	\$ 95,371,730	\$ (6,207,055)	\$ -	\$ 133,050,446	\$ 84,233	\$ 133,134,679
Appropriation of the 2017 earnings (Note 24)										
Legal reserve	-	-	2,184,325	-	(2,184,325)	-	-	-	-	-
Special reserve	-	-	-	3,719,526	(3,719,526)	-	-	-	-	-
Cash dividends distributed by the Company - 120%	-	-	-	-	(9,244,692)	-	-	(9,244,692)	-	(9,244,692)
Changes in capital surplus from donations from shareholders	-	305	-	-	-	-	-	305	-	305
Changes in capital surplus from investments in associates accounted for using the equity method	-	995	-	-	-	-	-	995	-	995
Net profit for the year ended December 31, 2018	-	-	-	-	27,972,188	-	-	27,972,188	22,665	27,994,853
Other comprehensive income (loss) for the year ended December 31, 2018, net of income tax	-	-	-	-	5	(1,194,741)	668,323	(526,413)	(1,896)	(528,309)
Total comprehensive income (loss) for the year ended December 31, 2018	-	-	-	-	27,972,193	(1,194,741)	668,323	27,445,775	20,769	27,466,544
Disposals of investments accounted for using the equity method (Note 13)	-	(33,516)	-	-	-	-	-	(33,516)	-	(33,516)
Disposals of investments in equity instruments designated as at fair value through other comprehensive income (Note 8)	-	-	-	-	676,843	-	(676,843)	-	-	-
BALANCE AT DECEMBER 31, 2018	7,703,911	20,238,740	15,607,700	6,207,055	108,872,223	(7,401,796)	(8,520)	151,219,313	105,002	151,324,315
Appropriation of the 2018 earnings (Note 24)										
Legal reserve	-	-	2,797,219	-	(2,797,219)	-	-	-	-	-
Special reserve	-	-	-	1,203,262	(1,203,262)	-	-	-	-	-
Cash dividends distributed by the Company - 120%	-	-	-	-	(9,244,692)	-	-	(9,244,692)	-	(9,244,692)
Changes in capital surplus from donations from shareholders	-	473	-	-	-	-	-	473	-	473
Net profit for the year ended December 31, 2019	-	-	-	-	11,272,124	-	-	11,272,124	25,696	11,297,820
Other comprehensive loss for the year ended December 31, 2019, net of income tax	-	-	-	-	-	(4,746,852)	(31,338)	(4,778,190)	(4,904)	(4,783,094)
Total comprehensive income (loss) for the year ended December 31, 2019	-	-	-	-	11,272,124	(4,746,852)	(31,338)	6,493,934	20,792	6,514,726
Subscription for additional new shares of the investee at a percentage different from its existing ownership percentage	-	(1,422)	-	-	(4,893)	-	-	(6,315)	-	(6,315)
BALANCE AT DECEMBER 31, 2019	\$ 7,703,911	\$ 20,237,791	\$ 18,404,919	\$ 7,410,317	\$ 106,894,281	\$ (12,148,648)	\$ (39,858)	\$ 148,462,713	\$ 125,794	\$ 148,588,507

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche auditors' report dated March 10, 2020)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars)

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 19,983,261	\$ 41,319,136
Adjustments for:		
Depreciation expenses	12,053,048	12,208,183
Amortization expenses	68,396	34,716
Loss on financial instruments at fair value through profit or loss	17,484	29,039
Amortization of prepayments for leases	-	45,297
Interest expenses	959,764	470,027
Interest income	(4,152,640)	(2,883,113)
Dividend income	(26,040)	-
Share of (profit) loss of associates	9,730	(18,546)
Gain on disposals of property, plant and equipment	(22,509)	(2,704)
Gain on disposals of investments	-	(127,279)
Write-down of inventories	196,722	-
Unrealized (gain) loss on foreign currency exchange	548,698	(538,911)
Changes in operating assets and liabilities		
Financial instruments at fair value through profit or loss	-	45,110
Notes receivable	33	(33)
Trade receivables	1,028,491	6,854,960
Other receivables	(63,445)	26,148
Inventories	10,430,264	(16,251,281)
Other current assets	1,297,725	42,352
Contract liabilities	(9,562)	(210,258)
Notes payable	(5,447)	(144,115)
Trade payables	(2,542,352)	2,558,431
Other payables	(834,482)	719,375
Other current liabilities	(836,224)	(654,070)
Net defined benefit liabilities	6	1

Other non-current liabilities	<u>(1,777,304)</u>	<u>(1,534,240)</u>
Cash generated from operations	36,323,617	41,988,225
Dividends received	26,040	24,741
Income tax paid	<u>(10,547,545)</u>	<u>(15,083,821)</u>
Net cash generated from operating activities	<u>25,802,112</u>	<u>26,929,145</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of financial assets at fair value through other comprehensive income	(296,894)	(1,792,337)
Proceeds from sale of financial assets at fair value through other comprehensive income	-	2,224,925
Purchase of financial assets at amortized cost	(410,985,912)	(402,726,162)
Proceeds from disposals of financial assets at amortized cost	439,668,711	380,559,211
Acquisitions of associates	(28,340)	(3,660)
Net cash inflow on disposal of associates	-	219,003
Acquisitions of property, plant and equipment	(4,030,137)	(10,987,989)

(Continued)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars)

	2019	2018
Proceeds from disposals of property, plant and equipment	\$ 41,870	\$ 40,422
Increase in refundable deposits	(747)	(2,712)
Decrease in refundable deposits	14,714	2,913
Acquisitions of other intangible assets	(41,828)	(77,451)
Acquisitions of investment properties	(930)	(297)
Interest received	<u>4,310,300</u>	<u>2,572,035</u>
Net cash generated from (used in) investing activities	<u>28,650,807</u>	<u>(29,972,099)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	305,849,194	252,847,809
Repayments of short-term borrowings	(308,953,649)	(227,077,205)
Proceeds from guarantee deposits received	10,408	92,338
Refunds of guarantee deposits received	(104,778)	(158,589)
Cash dividends paid	(9,244,692)	(9,244,692)
Repayment of the principal portion of lease liabilities	(12,413)	-
Interest paid	<u>(921,228)</u>	<u>(452,251)</u>
Net cash generated from (used in) financing activities	<u>(13,377,158)</u>	<u>16,007,410</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES		
	<u>(1,363,015)</u>	<u>(676,720)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	39,712,746	12,287,736
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>29,304,500</u>	<u>17,016,764</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 69,017,246</u>	<u>\$ 29,304,500</u>

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

(With Deloitte & Touche auditors' report dated March 10, 2020)

(Concluded)

Attachment VI:

Director Candidates List

Title	Candidate Name	Education	Work History/ Background	Shares Held
Director	Shui Sung Hung (Representative of Yung Yu Investment Company)	High school	* Director of Catcher Technology * Director of Yung Yu Investment company	10,283,871

Appendix I: Articles of Incorporation

Chapter 1: General Provisions

Article 1

The Company is organized as a company limited by shares and permanently existing in accordance with the Company Act of the Republic of China (the "Company Act") and the Company's English name is Catcher Technology Co., Ltd.

Article 2

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

1. CA01090 Aluminum molding business
2. CA01150 Magnesium molding business
3. CA01990 Other non-metal business
4. CC01110 Computer and peripheral manufacturing business
5. CB01010 Machinery and equipment manufacturing business
6. F401010 International trade business
7. CA02080 Metal forging business
8. CB01990 Other mechanical manufacturing business
9. C805050 Industrial plastic manufacturing business
10. CA04010 Surface treatment business
11. CQ01010 Mode manufacturing business
12. ZZ99999 Except for permitted business, the Company may engage in other businesses not prohibited or restricted by laws or regulations

Article 2-1

The Company may handle endorsement and guaranty affairs in accordance with the Procedures for the Endorsement and Guaranty of the Company if there is any business need.

Article 2-2

The Company may invest in other businesses which have been approved by the board of directors. The total investment amount may exceed 40% of the total paid-in capital of the Company, which the regulations stated in Article 13 of the Company Act.

Article 3

The head office of the Company is located in Tainan City, Taiwan, the Republic of China ("R.O.C."). Subject to the approval of the board of directors and, the Company may, if necessary, set up subsidiaries, branches, or branch offices within or outside the territory of the Republic of China.

Article 4

Public announcements of the Company shall be made in accordance with the provisions of Article 28 of Company Act.

Chapter 2: Shares

Article 5

The registered capital of the Company shall be NT\$10,000,000,000, divided into 1,000,000,000 common shares with a par value of NT\$10 per share. All the shares shall be issued in increments.

A total of 23,000,000 shares shall be set aside from the aforementioned common shares for the use as employee Stock Warrants, and the board of directors are authorized to issue by increments.

Article 5-1

For issuance of Stock Warrants where the price is less than the market price (book value) of the Company shares, or where the price of the treasury stocks to be transferred to the employees is less than the average price of the repurchased shares, shareholders representing the majority of the issued shares shall be present and approval by at least 2/3 of the presenting shareholders shall be required.

Article 6

The shares of the company are registered in the form of signatures and seals on behalf of the directors of the company, signed and sealed by the directors, issued after the visa according to law, and may be merged and reissued with large denomination securities.

Article 6-1

Any affair with regard to the shares of the Company shall be handled in accordance with the Guidelines for Handling Stock Affairs by a Public Issuing Company.

Article 6-2

The Company may, pursuant to the applicable laws and regulations, deliver shares or other securities in book-entry form, instead of delivering physical certificates evidencing shares or other securities. The Company shall arrange for such shares to be recorded by a centralized securities custodian institution.

Article 7

Registration for transfer of shares shall be suspended sixty days immediately before the date

of general shareholders' meeting, and thirty days immediately before the date of any extraordinary shareholders' meeting, or within five days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Company.

Chapter 3: Shareholders' Meetings

Article 8

Shareholders' meetings shall be of two types

1. General meetings: Shall be convened annually by the Board within six months of the end of each fiscal year.
2. Extraordinary meetings: Shall be convened in accordance with the relevant laws, whenever necessary.

Article 9

The shareholder who cannot attend the shareholders' meeting in person may present a proxy letter, in accordance to regulations, issued by the Company, stating scope of authorization and designating a proxy.

Article 10:

Unless otherwise specified by the law, each shareholder of the Company shall be entitled to one vote for each share held.

Article 11

Except as otherwise provided in the relevant laws or the Company Act, any resolution of a shareholders' meeting shall be adopted at a meeting which at least general majority of the shareholders attend and at which meeting a general majority of the shareholders present vote in favor of such resolution.

Chapter 4: Board of Directors and Audit Committee

Article 12

The Company shall have seven to nine Directors. Directors shall be elected by adopting candidates nomination system as specified in Article 192-1 of the Company Law. The aforesaid Board of Directors must have no less than three independent directors and the number of independent directors shall not be less than 1/5 of the Board Members. The tenure of office of the directors will be three (3) years and they will be eligible for re-election. Directors shall be elected from a slate of director candidates at shareholders' meetings. The nomination of directors and related announcement shall comply with the relevant regulations of the Company Law and the Securities and Exchange Law.

Article 12-1

More than half of the elected directors shall not have either one of the following relationships :
1.Spouse; 2.First-degree and second-degree relatives.

Article 12-2

If the elected directors are against Article 12-1, these elected directors with lower votes are ineligible.

Article 12-3

The professional qualifications, restrictions on the shareholdings and concurrent positions held, and other matters with respect to independent directors shall be in compliance with applicable laws and regulations.

Article 12-4

In compliance with Article 14-4 of the ROC Securities and Exchange Act, the Company shall establish an Audit Committee, which shall consist of all independent directors and no less than 3 members. One of them should have expertise in accounting or finance and one of them should convene the committee. The Audit Committee shall be responsible for those functions of Supervisors specified under the Company Act, Securities and Exchange Act and other relevant regulations. The resolution should be approved by more than half of the audit committee members.

Article 13

The Company shall have a chair of the Board. The chair of the Board shall be elected by and among the directors by a majority of directors present at a meeting attended by more than two thirds of directors. The chair of the Board shall externally represent the Company.

Article 13-1

The Board of directors should be formed by the directors, and have the following functions and responsibilities:

1. Preparation of business report.
2. Proposing the earnings distribution or the making-up of losses.
3. Proposing the increase or reduction of capital.
4. Preparation of important procedures, rules, amendments, or agreements.
5. Appointment and removal of the president or vice presidents.
6. Approval of the investment in other businesses.
7. Establishment or abolishment of the branch offices.
8. Examination of business budgets and financial statement.
9. Appointment and removal of accountants.

10. Decision on the shareholders' monetary claims or the technology or goodwill which the Company is in need to exchange with the Company's shares within the authorized capital amount.
11. Decision on the Company's issuance of new shares in exchange with other companies' shares within the authorized capital amount.
12. The issuance of employees stock warrants.
13. Decision on repurchasing the shares of the Company and transferring to employees.
14. Other duties and powers granted by the law or by shareholders' meeting.

Article 13-2

In the case that vacancies on the Board of Directors exceed, for any reason, one third of the total number of the Directors or the discharge of all independent directors, then the Board of Directors shall convene a shareholders' meeting within 60 days to elect new Directors to fill such vacancies in accordance with relevant laws, rules and regulations. The new Directors shall serve the remaining tenure of the predecessors.

Article 13-3

Except as otherwise provided in the Company Act of the Republic of China, the board meeting should be convened by chairman and such chairman shall act as the chairman of the meeting. Any resolution of a Board of Directors' meeting shall be adopted at a meeting which at least general majority of the director attend and at which meeting a general majority of the directors present vote in favor of such resolution.

Article 13-4

The convening of the board of directors shall state the reasons and notify the directors by the time limit prescribed by the securities authority 7 days prior through notification by e-mail or fax. But when there is an emergency, you can call it at any time.

Article 13-5

The Board may establish Audit, Compensation or other functions of Committee.

Article 14

In case the chair of the Board asks for leave or for other reason cannot exercise his power and authority, the deputy should be in accordance with Article 208 of the Company Act.

Article 15

Where a director is unable to attend a meeting of the Board, he may appoint another director to represent him by proxy. Each director may act as a proxy for one other director only. The

meeting of the Board may be conducted in video conference and the directors who participate in the meeting through video conference are regarded as being present personally. The compensation to the directors is based on the peers' level and will be paid no matter the Company is in profit or loss.

Article 15-1

The Company may purchase liability insurance policies for directors during the tenure of their offices and within the scope of damages results from the performances of their official duties.

Article 15-2

For the items that should be submitted to the board of directors in accordance with Article 14-3 of the Stock and Exchange Act, the independent directors should be present at the meeting in person and shall not be in proxy of non-independent directors. If any director expresses dissent and it shall be contained in the meeting minutes. If the independent director is not able to be present at the meeting in person to express his dissent, except for proper reasons, the director shall submit the written statements and shall be contained in the meeting minutes.

Chapter 5: President and Vice Presidents

Article 16

The Company shall have managerial officers. Appointment, removal and remuneration of the managerial officers shall be subject to the provisions of Article 29 of the Company Act.

Chapter 6: Accounting

Article 17

At the end of each fiscal year, the Board of Directors shall prepare the following statements and reports, and submit the same to the Audit Committee for examination thirty (30) days prior to the annual general meeting, and then shall submit the same to the annual general meeting for adoption: (1) Business Report; (2) Financial statements; (3) Proposal governing the distribution of profit or the making-up of losses.

Article 18

The surplus distribution or loss of the Company shall be paid after the end of each semi-annual accounting year. If there is a surplus in the first half of the accounting year, the distribution shall be as follows:

1. Pay taxes;
2. Make up for accumulated losses;
3. Estimate the retention of employees and directors' compensation;
4. A statutory surplus reserve of 10% is provided; however, when the statutory surplus accumulation has reached the total capital of the company, this is not the limit;
5. To provide or revolve special surplus reserves in accordance with the company's operational needs and statutory requirements;
6. If there is still surplus, plus the accumulated undistributed surplus in the previous period and the undistributed surplus adjustment in the current period, the board of directors proposes to distribute the proposal.

Article 18-1

If the company makes a profit in the current year, it shall pay no less than one percent of the employee's remuneration. The board of directors shall decide to distribute it by stock or cash, and the object of its issuance shall include control that meets certain conditions. Or a subordinate company employee, the certain conditions are set by the board of directors. In addition, the company was able to increase the amount of profit, and the board of directors decided to raise no more than one percent of the director's compensation. The employee compensation and the distribution of directors' compensation shall be reported to the shareholders' meeting. However, when the company still has accumulated losses, it should retain the amount of compensation in advance, and then pay the employees' compensation and directors' compensation according to the ratio of the above. The object of transfer of the company's purchase of shares, the issue of the employee's stock option certificate, the employee of the share purchase when the new shares are issued, and the issue of the new shares of the employee's rights are restricted, including the control or subordinate company employees who meet certain conditions. The board of directors has fixed it..

Chapter 7: Supplementary Articles

Article 19

In regard to all matters not provided for in these Articles of Incorporation, the Company Act shall govern.

Article 20

These Article of Incorporation were enacted on Sep. 19, 1984 and amended on Jun. 12, 1986 for the first time, on Jul 22, 1986 for the second time, on Mar. 16, 1989 for the third time, on Jun. 13, 1990 for the fourth time, on Jul. 27, 1992 for the fifth time, on Oct. 1, 1992 for the sixth time, on Jun. 20, 1994 for the seventh time, on Apr. 27, 1996 for the eighth time, on Sep. 13, 1996 for the ninth time, on Jan. 31, 1997 for the tenth time, on Jul 10, 1997 for the eleventh time, on Sep. 27, 1997 for the twelfth time, on Jun 21, 1998 for the thirteenth time,

on Nov 2, 1998 for the fourteenth time, on Mar. 18, 1999 for the fifteenth time, on Apr. 24, 2000 for the sixteenth time, on Jun. 12, 2001 for the seventeenth time, on May 30, 2002 for the eighteenth time, on May 6, 2003 for the nineteenth time, on May 24, 2004 for the twentieth time, on May 24, 2004 for the twenty-first time, on May 31, 2005 for the twenty-second time, on May 30, 2006 for the twenty-third time, on June. 28, 2007 for twenty-fourth time, on Jun. 26, 2009 for twenty-fifth time, on Jun. 25, 2010 for twenty-sixth time, on Jun. 13, 2012 for the twenty-seventh time, on Jun. 13, 2013 for the twenty-eighth time, on May 19, 2017 for the twenty-ninth time, 2018 for the thirtieth time, on Jun. 11, on June 12, 2019 for the thirty-first time.

Appendix II: Rules and Procedures of Shareholders' Meeting

Article 1

To establish a strong governance system and sound supervisory capabilities for the Company's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Articles of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2

The rules of procedures for the Company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3

Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors. The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place. Those shareholders who hold less than 1,000 shares of registered stock may be informed of the meeting notice 30 days in advance by means of posting a public announcement on the Market Observation Post System website. All shareholders shall be notified 15 days in advance when an extraordinary general meeting is convened. Those shareholders who hold less than 1,000 shares of registered stock may be notified 15 days in advance by means of posting a public announcement on the Market Observation Post System website. The subject of the meeting shall be explicitly stated in notices and public announcements.

When the relevant parties grant their consent, notification may be performed using electronics means. The election or dismissal of directors, amendment to the Articles of Incorporation, the dissolution, merger, split up of the Company, or anything as stated in Article 185, Paragraph 1 of the Company Act, Article 26-1 and Article 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be stated as the causes of convention and shall not be proposed as special motions in the meeting. Shareholders holding at least 1% of the total number of issued shares may submit annual general meeting proposals to the Company in writing. Any proposal relates to Article 172, Paragraph 1-4 of the Company Act shall not be accepted. The company shall publicly announce acceptance of shareholders' proposals, the place of acceptance, and the acceptance period before the book closure date prior to the annual general meeting. The acceptance period may be no shorter than 10 days. The proposal shall not exceed 300 characters in length (including punctuation marks), or the proposing shareholder shall not submit more than one proposal, and fail to comply with these requirements will cause the entire proposal being excluded from the Shareholders' meeting. The proposing shareholder(s) or its designee shall attend the meeting and join the discussion. The Company shall notify those shareholders who submitted proposals of the results of process of the proposals prior to the notification of annual general meeting. If the shareholders' proposals to be included in the meeting agenda according to the rule; such proposals shall be included in the agenda. With regard to any shareholder proposals not included in the meeting agenda, the Board shall include in the meeting handbook an explanation of why each proposal was not included.

Article 4

For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization. A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment. After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before 2 days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5

The venue for a shareholders meeting shall be the premises of the Company, or a place

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

Article 6

The handbook of shareholders' meeting, annual report, attendance pass, speaking slips, ballots, and other material should be provided to the shareholders in attendance.

Shareholders and their proxies shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification. Government or juristic shareholders may send more than one representative to a shareholders' meeting. However, a juristic person attending a shareholders' meeting as a proxy may send only one representative to attend.

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

Article 7

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair. When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair. It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves. The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8

The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures. The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 9

Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically. The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10

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

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting. The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.

Article 11

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation. When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 12

Voting at a shareholders meeting shall be calculated based the number of shares. With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued 52

shares. When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder. The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders. With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act. When this Corporation holds a shareholders' meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting. A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before 5 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent. After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before 2 days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting 53

rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail. Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS. When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Article 14

The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form. The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

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

Article 16

On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting. If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17

Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands. The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor." At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing. When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed. If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue. A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

Appendix III: Rules For Election Of Directors

Article 1

Unless otherwise provided in the Company Act or the Articles of Incorporation of the Company, the directors of the Company shall be elected in accordance with the rules specified herein.

Article 2

In election of directors of the Company, each share shall have voting rights equivalent to the number of seats to be elected and such voting rights can be combined to vote for one person or divided. In the election of directors of the Company, the names of voters may be represented by shareholders' numbers.

Article 3

In the election of directors of the Company, candidates who acquire more votes should win the seats of directors. There should be more than half of the seats of the directors who are not the spouse of the second degree of kinship of each other.

Article 4

The qualification and election of the independent directors of the Company should be in accordance with Regulations Governing Appointment of Independent Directors and Compliance Matters of Public Companies and the Article 24 of Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies.

Articles 5

If two or more persons acquire the same number of votes and the number of such persons exceeds the specified seats available, such person acquiring the same votes shall draw lots to decide who should win the seats available, and the Chairman shall draw lots on behalf of the candidate who is not present. If the elected director's personal information is incorrect or unqualified according to the related regulations, the seat should be taken by the original person who acquires the number of votes next to the elected director.

Article 6

The shareholders on the shareholders' list all have voting rights. If there's designated representative of the corporate shareholder, it should be submitted in written form and be recorded on the shareholders' list.

Article 7

The ballots should be prepared by the Board of Directors according to the shareholders' numbers and indicates the number of voting rights of each shareholder.

Article 8

At the beginning of the election, the Chairman shall appoint several persons to check and record the ballots.

Article 9

If the candidate is a shareholder of the Company, voters shall fill in the "candidate" column the candidate's name and shareholder's number and the number of the votes cast for such candidate. If the candidate is not a shareholder of the Company, voters shall fill in the "candidate" column the candidate's name, the candidate's ID number and the number of votes cast for such candidate. If the candidate is government agency or a legal entity, the full name of the government agency or the legal entity or the name(s) of their representative(s) should be filled in the column.

Article 10

Ballots shall be deemed void under the following conditions:

- (1) Ballots not prepared by the Company;
- (2) Ballot being filled in with two or more than two candidates;
- (3) Ballots with other written characters or symbols in addition to candidate's name, shareholder's number (ID number) and the number of votes cast for the candidate;
- (4) Ballots no placed in the ballot box in the specified period;
- (5) Illegible writing;
- (6) If the candidate is a shareholder of the Company, the name or shareholder's name of the candidate filled in the ballot inconsistent with the shareholders' register. If the candidate is not a share holder of the Company, the name or ID number of the candidate filled in the ballot is incorrect;
- (7) The name of the candidates filled in the ballots being the same as another candidate's name and the respective shareholder's numbers (ID numbers) not being indicated to distinguish them;
- (8) Blank ballots not completed by the voter.

Article 11

The ballot box used for voting shall be prepared by the Company and checked in public by the person to check the ballots before voting

Article 12

The ballots should be calculated during the meeting right after the vote casing and the results of the election should be announced by the Chairman at the meeting.

Article 13

The Board of the Directors shall issue notifications to the directors elected.

Article 14

Matters not specified herein shall be resolved in accordance with Company Act or the applicable laws or regulations.

Article 15

These Rules and any revision thereof shall become effective after approval at the shareholders' meeting.

Appendix IV: Shareholdings of All Directors

- Catcher Director Shareholding and Legal Minimum Shareholdings is as follows:
 Common shares issued 7,703,910,69 shares
 Legal holding of all directors in number of shares 24,652,514 shares
- The Company has set up an Audit Committee, so limitations on supervisors' holdings are not applicable.
- As of May 2, 2020, all board members' shareholding are as follows:

Position	Name	Number of shares	Shareholding %
Chairman	Shui-Shu Hung	10,704,834	1.39%
Director	Tien-Szu Hung	10,661,889	1.38%
Director	Mon-Huan Le	0	0.00%
Independent Director	Wen-Che Tseng	0	0.00%
Independent Director	Cong-Jhu Liang	0	0.00%
Independent Director	Ming-Yang Chenng	0	0.00%
All Directors		21,366,723	2.77%

Appendix V: Other Items

1. Impact of Stock Dividend Distribution on Operating Results,, Earnings per Share and Shareholders' Return on Investment

Not Applicable

2. Shareholders' Proposal for 2019's Shareholders' Meeting

According to Company Act-section 172-1 and related regulations, the shareholders with above 1% holdings of Catcher could submit the proposals to the Company (No 398, RenAi Street, Yongkang Dist, Tainan, Taiwan) during the period starting from 2020/04/17 to 2020/04/27. No proposals for 2020's shareholders' meeting were received during the period.