

CATCHER TECHNOLOGY CO., LTD

2018 ANNUAL SHAREHOLDERS' MEETING

(Translation)

June 11, 2018

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Note:

• Minutes of 2018 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

2018 ANNUAL SHAREHOLDERS' MEETING PROCEDURE

- I. Call Meeting to Order
- II. Chairman's Address
- III. Report Items
- IV. Acknowledging Items
- V. Proposed Resolutions
- VI. Other Business and Special Motion
- VII. Meeting Adjourned

II. MEETING AGENDA

CATCHER TECHNOLOGY CO., LTD 2018 ANNUAL SHAREHOLDERS' MEETING AGENDA (Translation)

- I. Time: 10:00 a.m., June 11, 2018
- II. Place: 3F Banquet Hall B Tayih Landis Tainan Hotel.(No.660, Section 1, Shi-Men Road, Tainan City)
- III. Call Meeting to Order
- IV. Chairman's Address
- V. Report Items:
 - (1)2017 business report
 - (2)2017 Audit Committee's review report
 - (3)To report 2017's distribution of employees and directors' compensation
- VI. Acknowledging Items
 - (1)To accept 2017 Business Report and Financial Statements
 - (2)To approve the proposal for distribution of 2017 profits
- VII. Proposed Resolutions
 - (1)To amend the Company's "Articles of Incorporation"
 - (2)To enrich working capital, the company plans to participate in GDR
issuance or public offering by issuing new common shares.
- VIII. Other Business and Special Motion
- IX. Meeting Adjourned

1. Report Items

1. To report the business of 2017

Explanatory Notes: Please refer to Attachment I.

2. Audit Committee's review report of 2017

Explanatory Notes: Please refer to Attachment II.

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

Explanatory Notes: Please refer to Attachment III

2. Acknowledging Items

1. To accept 2017 Business Report and Financial Statements (Proposed by the Board of Directors)

Explanatory Notes: (1) CATCHER's 2017 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 IV.

(2) Please accept the 2017 Business Report, Financial Statements, and Consolidated Financial Statements.

2. To approve the proposal for distribution of 2017 profits (Proposed by the Board of Directors)

Explanatory Notes: (1) The proposed profits distribution is allocated from Retained Earnings in 2017 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 9,244,692,828 equivalent to NTD 12 per share based on 770,391,069 outstanding shares as of the book closure date of 2018 Annual General Meeting. 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 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.

CATCHER Technology

Profits Distribution for 2017

Unit: NTD

Retained Earnings at the beginning of this period	\$73,528,471,858
Adjustment in Retained Earnings from equity-method investment	8,743
Adjustment in Retained Earnings from benefit plans	<u>0</u>
Retained Earnings after adjustment	73,528,480,601
Profits for current year	21,843,250,338
Minus: Special Reserve	<u>(3,719,526,188)</u>
Minus: Legal Reserve	<u>(2,184,325,034)</u>
Retained Earnings Available for Distribution	89,467,879,717

Dividends- Cash (NTD 12 per share)	<u>(9,244,692,828)</u>
Retained Earnings at the end of this period	<u><u>\$80,223,186,889</u></u>
(1) The dividends distributed come from 2017 profits	
(2) The cash dividend will be rounded till dollar. All cash dividend less than one dollar will be transferred into other revenues of the company.	

3. Proposed resolutions

1. To amend the Company's "Articles of Incorporation"

Explanatory Notes: To adapt to the candidate nomination system of directors, the company is amending its "Articles of Incorporation". Please refer to Attachment V

2. To approve the issuance of new common shares for cash and/or issuance of Global Depository Receipt (GDR) (Proposed by the Board of Directors)

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.

(1) 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 6.5% of the Company's total outstanding common shares prior to the record date for the Company's 2017 annual shareholders meeting. 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, equipments, 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, equipments, 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.

4. Other Business and Special Motion

5. Meeting Adjourned

Attachment I

2017 Business Report

Dear Shareholders,

The global economy was slowly recovered in 2017. However, there are still challenges in politics and economics. Overall, regional politics are unstable and protectionism is rising, which leads to concerns among a mild growth in global economics. Despite the volatility, seasonality, and uncertainty in the industry, Catcher Technology still managed to record a strong growth in 2017. 2017 Revenue recorded another historical record high at NT\$93.3bn, up 17.9% yoy from NT\$79.1bn in 2016, which was also above industry average.

In 2017, Catcher integrated more components, which not only strengthened our position in the supply chain, but also reinforced the relationship with customers. Catcher also expanded the scope of component integration, and brought in new growth drivers. As for production capability, Catcher continues to strengthen its leading position in the material, forming, machining, and surface treatment. In terms of capacity, Catcher continues to spend large amount of CAPEX to meet client's demand, and lengthen the distance with late comers. 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 2018, Catcher will commence another growth driver based on the current solid operation. We see three main growth drivers ahead: the increasing revenue contribution from existing projects, the introduction of new products from existing customers, and the introduction of new customers and products. Catcher also works on new applications and new customers. We are optimistic for the outlook and expect to see meaningful growth in 2018.

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, 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 2017, 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. At the same time, Catcher further enhanced the value-add in the supply chain and delivered a 20% growth in 2017's revenue.

Financial performance

The consolidated revenue of the Catcher Group in 2017 was NT\$93.3billion. The consolidated gross profit margin of the group was 45%. The consolidated net profit after tax was NT\$21.8 billion, and the basic earnings per share was NT\$28.35.

Operation Results (Group)

Unit: in thousand NTD

Item	2017		2016	
	Amount	%	Amount	%
Sales revenues	93,295,960	100%	79,113,653	100%
Gross Profit	41,969,517	45%	34,397,630	44%
Operating income	33,433,242	36%	27,490,819	35%
Income before tax	32,745,218	35%	32,625,048	41%
Net income	21,843,250	23%	22,019,794	28%

Profitability (Group)

Item		2017	2016
Return on assets		11%	12%
Return on equity		17%	19%
Percentage of capital	Operating income	434%	357%
	Income before tax	425%	423%
Net income to sales		23%	28%
EPS (NTD)		\$28.35	\$28.58

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 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. The latest research and development of Catcher are multi-color combo electric chemical method on aluminum and stainless steel; thermal plastic composites; color enhanced phonology on metal casing etc.

Business strategies

Catcher will also continue its 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.

Catcher continues to expand its factories in Taiwan, Suqian, and Taizhou in 2018. The diversification and allocation of our facilities is also on going. We expect to achieve optimal allocation among three sites. Therefore, the risk of sole factory site and the impact from volatile market and operating environmental can be reduced.

Besides achieving business goals, Catcher also put efforts in Corporate Social Responsibility. Catcher formed a team focusing on corporate social responsibility, published corporate social responsibility report, invest in green energy, promote the investigation on greenhouse-gas, set goal of energy saving and carbon reduction, attended charitable activities, earned Sports Enterprise Certification, and enhanced the communication with stakeholders

Important sales policies

In terms of the outlook of the metal casing business: smartphones will grow significantly to replace the feature phones and will further penetrate into more markets and customers. We also see higher adoption rate of mid-high end smartphones, and expect smartphones to continue to be the largest growth driver in the next few years. We also see notebook brands lean toward the slim design and the adoption of tablets also indicates the trend of thin and light. Wearable devices also adopt metal casing design, and could be one of the growth drivers in the future. Overall, looking at the design trend of each consumer electronic device mentioned above, metal will be the best solution.

The commitment of the main customers in choosing the materials is getting higher. Catcher will also fully utilize 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 gross profit in 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 protect the rights of the shareholders.

As the macro environment becomes more complex, the company will take into account the industry conditions and macroeconomics, and carefully evaluate and select the best strategies.

Business outlook and targets

Looking forward, the focus of development for Catcher will be on three segments: smartphones, tablets, and notebooks. Wearable devices have already grown to a new market, which will be a new area that metal casing vendors could tap into in the future.

For smartphone market in 2017, IDC indicated the shipment of smartphones was around 1.462 billion, down 0.8% y-y from 1.473 billion last year. IDC also estimates the smartphone will increase to 1.572 billion units in 2018, up 7.5% y-y, and up 3% to 1.627 billion units in 2019. We expect the competition between different brands and different operating systems to be fiercer in the future for smartphones, thus mid-to-high end models will be the main source of profitability for brand customers. High value-added and product differentiation will be the fundamental for tier 1 brands to expand market share. Moreover, due to the trend of being larger screen size, thinner, lighter and fashions for smartphones, metal casing has become one of the must-have specifications no matter what kind of design. The trend of metal casing design also leads to the "bigger gets bigger" in the industry. As a result, smartphones remain one of the main growth drivers for the Company.

Gartner indicated the shipment of Tablet PC in 2017 was around 157.5 million units, compared with 168.8 million in 2016, down by 6.7%. Gartner forecasts that tablet will grow/decrease 2.1%/0.7% to 160.9/159.7 million units in 2018/2019, indicating a stabilizing tablet PC market. Compared to notebook, tablet is more convenient and thus it requires higher strength and better outlook. Therefore, tablet will continue to be one of the important products for metal casing vendors.

Notebook shipments of 2017 were 160.4 million, compared to 162.1 million units in 2016, declining by 1.0% y-y. Gartner estimates that the NB will grow 3.1% yoy to 165.5 million units in 2018 and increases again by 3.3% to 171 million in 2019. Overall notebook market will stabilize and it is still one of important part for our sales revenue. Although it's mature, the slim and stylish design of products can increase the penetration rate of metal casing. We expect the NB business could be quite stable, due to the stable demand for commercial models and some consumer models will switch to high end metal casings.

Looking ahead into 2018, mobile devices, especially smartphones, will continue to grow, metal adoption will increase, and metal casing will penetrate into the new areas. All of which will drive the metal casing sector to grow. In addition, Catcher will see significant growth from continuing rising demand from the existing customers, more allocation and new products/new customers' add. Catcher will continue to develop special production processes, techniques, and materials in combination with the existing production techniques to keep strengthening the comprehensive manufacturing matrix, which will enable the company to remain a leading manufacturer in metal casing and inner components worldwide as a major supplier that can meet customers' requirements of execution, capacity, quality, yield rate, mass production capability, cost structure, customized and innovative designs. In terms of sales forecast, although differences in product specifications, sizes, diversification of materials and processing techniques render the company's forecast of metal component sales meaningless, the goal for Catcher is still committed to outperforming the average industry growth in the future.

Catcher will continue to uphold its philosophy of Innovative Technology, Customer Services, Honesty and Integrity, and Sustainable Development, and work toward the goal of becoming a world leader in light metals technology. The company will also remain committed to product innovation, business model optimization, production technology enhancement, and cost structure improvement in order to maintain the leading position. Hence, it does not matter how the business environment changes in the future, we have the ambition, confidence, and determination to achieve our goals and create maximum value for our customers, shareholders, and employees.

Chairman Shui-Shu Hung



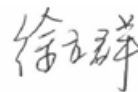
Attachment II:

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2017 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

Handwritten signature in Chinese characters, likely reading '徐群' (Xu Qun).

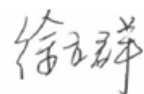
March 5, 2018

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2017 business report, and Earning Distribution Statement for the year of 2017. 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 14-5 of the Securities and Exchange Act and Article 219 of the Company Act.

Catcher Technology Co., Ltd.

Audit Committee convener

Handwritten signature in Chinese characters, likely reading '徐军' (Xu Jun).

May 5, 2018

Attachment III: Distribution of Compensation for Employees and Directors

The Distribution for compensation to Directors and Employees

On March 5, 2018 the Board of Directors resolved the dividends distribution in cash:

Item	Proposed amount
Directors' Compensation	\$ 16,892,475
Employees' Compensation	\$ 2,421,230,934

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

Attachment IV:
Independent Auditor's Report and 2017 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, the Group), which comprise the consolidated balance sheets as of December 31, 2017 and 2016, 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.

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, 2017 and 2016, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the 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) of Taiwan, the Republic of China (ROC).

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the 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 based on our audits and the report of other auditors.

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, 2017. 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 description of the key audit matters of the Group's consolidated financial statements for the year ended December 31, 2017 is as follows:

As stated in Notes 4(f), 5(b) and 10 of the accompanying consolidated financial statements, as of December 31, 2017, the Group's net inventory amounted to NT\$9,292,285 thousand (where obsolescence losses of NT\$1,992,101 thousand were deducted). Such inventory loss represents approximately 18% 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 losses involves management's material estimations, we deemed such valuation to be a key audit matter.

Our main audit procedures performed in regard of this key audit matter include:

- Determining the appropriateness of the Group's methodology for the evaluation of its inventory impairment and obsolescence losses based on our understanding of the business and industry knowledge, coupled with our understanding of the nature and aging of its inventory.
- Obtaining the valuation report for the net realizable value of the inventory to assess the adequacy of the inventory valuation basis by sampling inventory and comparing the carrying amounts to the latest sales prices.
- Attending year-end inventory counts to inspect the condition of inventory to determine the appropriateness of the recognized inventory impairment and obsolescence losses.

Other Matter

We did not audit the financial statements of the associate, Sinher Technology Co., Ltd., accounted for using the equity method for the years ended December 31, 2017 and 2016. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts for these associates was based solely on the reports of the other auditors. The amount of the equity method investment in the abovementioned associate was NT\$383,335 thousand and NT\$380,788 thousand, or 0.18% and 0.20% of the Group's consolidated total assets, as of December 31, 2017 and 2016, respectively. The Group's share of the comprehensive income recognized under the equity method was NT\$35,600 thousand and NT\$60,698 thousand, or 0.20% and 0.42% of the Group's consolidated comprehensive income, for the years ended December 31, 2017 and 2016, respectively.

We have also audited the parent company only financial statements of Catcher Technology Co., Ltd. as of and for the years ended December 31, 2017 and 2016 on which we have issued an unqualified opinion modified report.

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 FSC of Taiwan, 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, 2017 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 5, 2018

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 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 prevail.

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2017 AND 2016 (In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2017		December 31, 2016	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 17,016,764	8	\$ 29,666,993	16
Debt investments with no active market - current (Notes 4 and 8)	89,617,629	42	59,767,949	32
Accounts receivable (Notes 4 and 9)	32,128,919	15	33,434,215	18
Other receivables (Note 4)	454,213	-	273,662	-
Current tax assets (Note 25)	1,169	-	47,265	-
Inventories (Notes 4, 5 and 10)	9,292,285	4	3,455,707	2
Prepayments for leases (Note 16)	45,427	-	27,816	-
Other current assets (Note 17)	<u>2,879,871</u>	<u>2</u>	<u>1,269,437</u>	<u>1</u>
Total current assets	<u>151,436,277</u>	<u>71</u>	<u>127,943,044</u>	<u>69</u>
NON-CURRENT ASSETS				
Available-for-sale financial assets - non-current (Notes 4 and 7)	58,500	-	-	-
Investments accounted for using the equity method (Notes 4 and 12)	539,922	-	539,634	-
Property, plant and equipment (Notes 4, 13 and 32)	52,066,481	25	51,055,042	27
Investment properties (Notes 4, 14 and 32)	239,892	-	244,973	-
Other intangible assets (Notes 4 and 15)	81,700	-	109,393	-
Deferred tax assets (Notes 4 and 25)	5,003,855	2	3,972,874	2
Long-term prepayments for leases (Note 16)	1,978,980	1	1,165,302	1
Other non-current assets (Note 17)	<u>2,458,355</u>	<u>1</u>	<u>1,317,322</u>	<u>1</u>
Total non-current assets	<u>62,427,685</u>	<u>29</u>	<u>58,404,540</u>	<u>31</u>
TOTAL	<u>\$ 213,863,962</u>	<u>100</u>	<u>\$ 186,347,584</u>	<u>100</u>

LIABILITIES AND EQUITY	December 31, 2017		December 31, 2016	
	Amount	%	Amount	%
CURRENT LIABILITIES				
Short-term borrowings (Note 18)	\$ 48,025,172	22	\$ 38,474,388	21
Notes payable (Note 19)	173,386	-	59,217	-
Accounts payable (Note 19)	11,851,920	6	5,404,082	3
Other payables (Note 20)	9,496,564	4	7,395,038	4
Current tax liabilities (Notes 4 and 25)	4,511,274	2	3,693,480	2
Other current liabilities (Note 20)	<u>3,267,944</u>	<u>2</u>	<u>2,264,896</u>	<u>1</u>
Total current liabilities	<u>77,326,260</u>	<u>36</u>	<u>57,291,101</u>	<u>31</u>
NON-CURRENT LIABILITIES				
Long-term borrowings (Note 18)	-	-	145,000	-
Deferred tax liabilities (Notes 4, 5 and 25)	54,879	-	184,127	-
Net defined benefit liabilities - non-current (Notes 4 and 21)	6,551	-	6,549	-
Other non-current liabilities (Note 20)	<u>3,341,593</u>	<u>2</u>	<u>5,890,755</u>	<u>3</u>
Total non-current liabilities	<u>3,403,023</u>	<u>2</u>	<u>6,226,431</u>	<u>3</u>
Total liabilities	<u>80,729,283</u>	<u>38</u>	<u>63,517,532</u>	<u>34</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 22)				
Share capital - ordinary shares	<u>7,703,911</u>	<u>4</u>	<u>7,703,911</u>	<u>4</u>
Capital surplus	<u>20,270,956</u>	<u>9</u>	<u>20,269,657</u>	<u>11</u>
Retained earnings				
Legal reserve	13,423,375	6	11,221,396	6
Special reserve	2,487,529	1	2,377,902	1
Unappropriated earnings	<u>95,371,730</u>	<u>45</u>	<u>83,543,989</u>	<u>45</u>
Total retained earnings	<u>111,282,634</u>	<u>52</u>	<u>97,143,287</u>	<u>52</u>
Other equity	<u>(6,207,055)</u>	<u>(3)</u>	<u>(2,487,529)</u>	<u>(1)</u>
Total equity attributable to owners of the Company	133,050,446	62	122,629,326	66
NON-CONTROLLING INTERESTS	<u>84,233</u>	<u>-</u>	<u>200,726</u>	<u>-</u>
Total equity	<u>133,134,679</u>	<u>62</u>	<u>122,830,052</u>	<u>66</u>
TOTAL	<u>\$ 213,863,962</u>	<u>100</u>	<u>\$ 186,347,584</u>	<u>100</u>

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

(With Deloitte & Touche auditors' report dated March 5, 2018)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2017		2016	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4 and 23)	\$93,295,960	100	\$79,113,653	100
OPERATING COSTS (Notes 10, 13, 21, 24 and 31)	<u>51,326,443</u>	<u>55</u>	<u>44,716,023</u>	<u>56</u>
GROSS PROFIT	<u>41,969,517</u>	<u>45</u>	<u>34,397,630</u>	<u>44</u>
OPERATING EXPENSES (Notes 21 and 24)				
Selling and marketing expenses	442,407	-	495,782	1
General and administrative expenses	6,433,956	7	5,122,412	6
Research and development expenses	<u>1,659,912</u>	<u>2</u>	<u>1,288,617</u>	<u>2</u>
Total operating expenses	<u>8,536,275</u>	<u>9</u>	<u>6,906,811</u>	<u>9</u>
PROFIT FROM OPERATIONS	<u>33,433,242</u>	<u>36</u>	<u>27,490,819</u>	<u>35</u>
NON-OPERATING INCOME AND EXPENSES (Note 24)				
Interest income	1,541,320	1	720,921	1
Other income	3,763,029	4	3,097,237	4
Foreign exchange gains (losses), net	(5,832,245)	(6)	1,322,754	1
Other gains and losses	111,218	-	143,820	-
Interest expenses	(317,104)	-	(236,985)	-
Share of profit of associates	<u>45,758</u>	<u>-</u>	<u>86,482</u>	<u>-</u>
Total non-operating income and expenses	<u>(688,024)</u>	<u>(1)</u>	<u>5,134,229</u>	<u>6</u>
PROFIT BEFORE INCOME TAX	32,745,218	35	32,625,048	41
INCOME TAX EXPENSE (Notes 4 and 25)	<u>10,887,619</u>	<u>12</u>	<u>10,556,770</u>	<u>13</u>
NET PROFIT	<u>21,857,599</u>	<u>23</u>	<u>22,068,278</u>	<u>28</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Share of the other comprehensive income (loss) of associates accounted for using the equity method	<u>8</u>	<u>-</u>	<u>(35)</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:			(Continue	

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CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2017		2016	
	Amount	%	Amount	%
Exchange differences on translating foreign operations	\$(3,714,162)	(4)	\$(7,507,995)	(10)
Share of the other comprehensive loss of associates accounted for using the equity method	<u>(12,426)</u>	<u>-</u>	<u>(4,651)</u>	<u>-</u>
	<u>(3,726,588)</u>	<u>(4)</u>	<u>(7,512,646)</u>	<u>(10)</u>
Other comprehensive loss for the year, net of income tax	<u>(3,726,580)</u>	<u>(4)</u>	<u>(7,512,681)</u>	<u>(10)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$18,131,019</u>	<u>19</u>	<u>\$14,555,597</u>	<u>18</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$21,843,250	23	\$22,019,794	28
Non-controlling interests	<u>14,349</u>	<u>-</u>	<u>48,484</u>	<u>-</u>
	<u>\$21,857,599</u>	<u>23</u>	<u>\$22,068,278</u>	<u>28</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	\$18,123,732	19	\$14,575,286	18
Non-controlling interests	<u>7,287</u>	<u>-</u>	<u>(19,689)</u>	<u>-</u>
	<u>\$18,131,019</u>	<u>19</u>	<u>\$14,555,597</u>	<u>18</u>
EARNINGS PER SHARE (Note 26)				
Basic	<u>\$ 28.35</u>		<u>\$ 28.58</u>	
Diluted	<u>\$ 28.03</u>		<u>\$ 28.26</u>	

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

(With Deloitte & Touche auditors' report dated March 5, 2018)

(Concluded)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY YEARS ENDED DECEMBER 31, 2017 AND 2016 (In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company						Other Equity Exchange Differences on Translating Foreign Operations	Total	Non-controlling Interests	Total Equity
	Retained Earnings									
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings					
BALANCE, JANUARY 1, 2016	\$ 7,703,911	\$ 20,274,286	\$ 8,709,310	\$ 2,377,902	\$ 71,740,227	\$ 4,956,944	\$ 115,762,580	\$ 202,882	\$ 115,965,462	
Appropriation of the 2015 earnings										
Legal reserve	-	-	2,512,086	-	(2,512,086)	-	-	-	-	
Cash dividends distributed by the Company - 100%	-	-	-	-	(7,703,911)	-	(7,703,911)	-	(7,703,911)	
Changes in capital surplus from investments in associates accounted for using the equity method	-	(9)	-	-	-	-	(9)	-	(9)	
Net profit for the year ended December 31, 2016	-	-	-	-	22,019,794	-	22,019,794	48,484	22,068,278	
Other comprehensive loss for the year ended December 31, 2016, net of income tax	-	-	-	-	(35)	(7,444,473)	(7,444,508)	(68,173)	(7,512,681)	
Total comprehensive income (loss) for the year ended December 31, 2016	-	-	-	-	22,019,759	(7,444,473)	14,575,286	(19,689)	14,555,597	
Disposals of investments accounted for using the equity method (Note 12)	-	(4,578)	-	-	-	-	(4,578)	-	(4,578)	
Actual disposals of interests in subsidiaries (Note 27)	-	(42)	-	-	-	-	(42)	17,533	17,491	
BALANCE, DECEMBER 31, 2016	7,703,911	20,269,657	11,221,396	2,377,902	83,543,989	(2,487,529)	122,629,326	200,726	122,830,052	
Appropriation of the 2016 earnings										
Legal reserve	-	-	2,201,979	-	(2,201,979)	-	-	-	-	
Special reserve	-	-	-	109,627	(109,627)	-	-	-	-	
Cash dividends distributed by the Company - 100%	-	-	-	-	(7,703,911)	-	(7,703,911)	-	(7,703,911)	
Changes in capital surplus from donations from shareholders	-	1,666	-	-	-	-	1,666	-	1,666	
Net profit for the year ended December 31, 2017	-	-	-	-	21,843,250	-	21,843,250	14,349	21,857,599	
Other comprehensive income (loss) for the year ended December 31, 2017, net of income tax	-	-	-	-	8	(3,719,526)	(3,719,518)	(7,062)	(3,726,580)	
Total comprehensive income (loss) for the year ended December 31, 2017	-	-	-	-	21,843,258	(3,719,526)	18,123,732	7,287	18,131,019	
Disposals of investments accounted for using the equity method (Note 12)	-	(367)	-	-	-	-	(367)	-	(367)	
Decrease in non-controlling interests	-	-	-	-	-	-	-	(123,780)	(123,780)	
BALANCE, DECEMBER 31, 2017	\$ 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	

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche audit report dated March 5, 2018)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016 (In Thousands of New Taiwan Dollars)

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$32,745,218	\$32,625,048
Adjustments for:		
Depreciation expenses	10,624,391	11,121,079
Amortization expenses	41,689	45,848
Amortization of prepayments for leases	34,415	28,819
Impairment loss on accounts receivable	14,467	36,295
Interest expenses	317,104	236,985
Interest income	(1,541,320)	(720,921)
Share of profit of associates	(45,758)	(86,482)
Gain on disposals of property, plant and equipment	(11,051)	(28,048)
Loss on disposals of other intangible assets	11	910
Gain on disposals of investments	(2,232)	(96,341)
Write-down of inventories	881,928	670,242
Impairment loss recognized on property, plant and equipment	-	97,272
Unrealized (gain) loss on foreign currency exchange	1,871,394	(706,148)
Changes in operating assets and liabilities		
Accounts receivable	1,088,113	(6,058,021)
Other receivables	(42,785)	(55,540)
Inventories	(6,724,792)	2,542,462
Other current assets	(1,590,633)	1,027,811
Notes payable	114,169	13,903
Accounts payable	6,479,676	(440,911)
Other payables	1,486,753	459,917
Other current liabilities	921,372	(723,221)
Net defined benefit liabilities	2	5
Other non-current liabilities	(2,572,981)	(4,724,461)
Cash generated from operations	44,089,150	35,266,502
Dividends received	28,478	32,145
Income tax paid	(11,255,450)	(11,050,806)
Net cash generated from operating activities	<u>32,862,178</u>	<u>24,247,841</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of available-for-sale financial assets	(58,500)	-
Purchase of debt investments with no active market	(309,927,726)	(63,867,300)
Proceeds from disposals of debt investments with no active market	277,169,334	4,616,895

Acquisitions of associates	-	(20,000)
Net cash inflow on disposal of associates	6,439	1,101,751
Proceeds from the capital reduction of investments accounted for using the equity method	-	74
Acquisitions of property, plant and equipment	(13,192,238)	(8,523,896)
Proceeds from disposals of property, plant and equipment	251,778	101,217
Increase in refundable deposits	(192,030)	(3,188)
Decrease in refundable deposits	171,745	15,861

(Continued)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016 (In Thousands of New Taiwan Dollars)

	2017	2016
Acquisitions of other intangible assets	\$ (15,509)	\$ (26,536)
Proceeds from disposals of other intangible assets	1,636	2,426
Acquisitions of investment properties	(800)	(347)
Increase in prepayments for leases	(887,152)	-
Interest received	<u>1,393,150</u>	<u>625,860</u>
Net cash used in investing activities	<u>(45,279,873)</u>	<u>(65,977,183)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	177,121,458	110,611,875
Repayments of short-term borrowings	(167,549,232)	(95,099,906)
Proceeds from long-term borrowings	1,355,000	1,971,000
Repayments of long-term borrowings	(1,500,000)	(1,826,000)
Proceeds from guarantee deposits received	556,617	354,441
Refunds of guarantee deposits received	(450,104)	(620,630)
Cash dividends paid	(7,703,911)	(7,703,911)
Proceeds from partial disposals of interests in subsidiaries	17,491	-
Interest paid	(320,873)	(230,235)
Decrease in non-controlling interests	<u>(123,780)</u>	<u>-</u>
Net cash generated from financing activities	<u>1,402,666</u>	<u>7,456,634</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>(1,635,200)</u>	<u>(1,738,947)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(12,650,229)	(36,011,655)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>29,666,993</u>	<u>65,678,648</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$17,016,764</u>	<u>\$29,666,993</u>

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

(With Deloitte & Touche auditors' report dated March 5, 2018)

(Concluded)

Attachment V: Difference of the Amended Articles of Incorporation

AFTER THE REVISION	BEFORE THE REVISION	Explanatory Notes
<p><u>Article 12</u></p> <p>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.</p>	<p><u>Article 12</u></p> <p>The Company shall have seven to nine Directors. 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.</p>	<p>Directors shall be elected by adopting candidates nomination system as specified in Article 192-1 of the Company Law. Conform to the amendments to related regulations.</p>
<p><u>Article 12-3</u></p> <p>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.</p>	<p><u>Article 12-3</u></p> <p>The professional qualifications, restrictions on the shareholdings and concurrent positions held, method of nomination and election, and other matters with respect to independent directors shall be in compliance with applicable laws and regulations.</p>	<p>All of the directors shall be elected by adopting candidates nomination system. Confirm to delete part of the content.</p>

<p><u>Article 18</u></p> <p>The Company shall allocate the net profit (“earnings”), if any, according to the following sequence:</p> <ol style="list-style-type: none"> 1. Making up loss for preceding years 2. Setting aside 10% for legal reserve 3. Setting aside or reverse special reserve(s) according to the business need or laws and regulations. 4. Any remaining earnings should be added to the accumulated retained earnings and current period’s adjustments, and the board can determine to distribute or to retain according to the dividend policy. <p>Because the Company is still in its growth stage, the dividend policy of the Company shall be determined pursuant to the factors, such as the economics, growth potential, sustainability, and long term development. The steadiness and growth of dividends will be also taken into account. Cash dividends shall not be below ten percent (10%) of the total dividends, but when the cash dividends fall below NT\$0.5 per share, dividends shall be distributed in the form of stocks.</p>	<p><u>Article 18</u></p> <p>The Company shall allocate the net profit (“earnings”), if any, according to the following sequence:</p> <ol style="list-style-type: none"> 1. Making up loss for preceding years 2. Setting aside 10% for legal reserve 3. Setting aside or reverse special reserve(s) according to the business need or laws and regulations. 4. Any remaining earnings should be added to the accumulated retained earnings and current period’s adjustments, and the board can determine to distribute or to retain according to the dividend policy. <p>Because the Company is still in its growth stage, the dividend policy of the Company shall be determined pursuant to the factors, such as the economics, growth potential, sustainability, and long term development. The steadiness and growth of dividends will be also taken into account. Cash dividends, which were specified in the fourth point above, shall not be below ten percent (10%) of the total dividends, but when the cash dividends fall below NT\$0.5 per share, dividends shall be distributed in the form of stocks.</p>	<p>Deleted certain words</p>
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<p><u>Article 20</u></p> <p>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.</p>	<p><u>Article 20</u></p> <p>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.</p>	<p>Add on the revision date of the thirtieth amendment.</p>
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Articles of Incorporation (After Amendment)

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 share certificates of the Company shall be all in registered form. The share certificates, after due registration with the competent authority, shall be signed or sealed by at least three directors and shall be legally authenticated prior to issue. The share certificates issued by the Company may be jointly exchanged for the share certificates with a larger par value.

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 Company shall notify every director for the board meeting with agenda seven days prior to the meeting, and may be through email or fax. If there's any urgent matter, it could be convened 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 Company shall allocate the net profit ("earnings"), if any, according to the following sequence:

1. Making up loss for preceding years
2. Setting aside 10% for legal reserve
3. Setting aside or reverse special reserve(s) according to the business need or laws and regulations.
4. Any remaining earnings should be added to the accumulated retained earnings and current period's adjustments, and the board can determine to distribute or to retain according to the dividend policy.

Because the Company is still in its growth stage, the dividend policy of the Company shall be determined pursuant to the factors, such as the economics, growth potential, sustainability, and long term development. The steadiness and growth of dividends will be also taken into account. Cash dividends shall not be below ten percent (10%) of the total dividends, but when the cash dividends fall below NT\$0.5 per share, dividends shall be distributed in the form of stocks.

Article 18-1

The Company shall distribute no less than 1 percent of the current year's profit if any as compensation for employees and the Board could decide to distribute in stocks or cash. The employees to receive compensation may include certain qualified employees from affiliate companies. The Board could also decide no more than 1 percent of the abovementioned profit as compensation for Directors. The distribution of compensation for employees and Directors should be reported during Shareholders' Meeting. However, when there's accumulated losses, the Company shall reserve certain amount to compensate the accumulated losses and then distribute the profits to employees and Directors based on the abovementioned percentage.

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,

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Appendix I: Articles of Incorporation (Before Amendment)

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:

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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 share certificates of the Company shall be all in registered form. The share certificates, after due registration with the competent authority, shall be signed or sealed by at least three directors and shall be legally authenticated prior to issue. The share certificates issued by the Company may be jointly exchanged for the share certificates with a larger par value.

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

3. General meetings: Shall be convened annually by the Board within six months of the end of each fiscal year.
4. 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. 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.

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, method of nomination and election, 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:

15. Preparation of business report.
16. Proposing the earnings distribution or the making-up of losses.
17. Proposing the increase or reduction of capital.
18. Preparation of important procedures, rules, amendments, or agreements.
19. Appointment and removal of the president or vice presidents.
20. Approval of the investment in other businesses.
21. Establishment or abolishment of the branch offices.
22. Examination of business budgets and financial statement.
23. Appointment and removal of accountants.

24. 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.
25. Decision on the Company's issuance of new shares in exchange with other companies' shares within the authorized capital amount.
26. The issuance of employees stock warrants.
27. Decision on repurchasing the shares of the Company and transferring to employees.
28. 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.

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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.

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The Company shall notify every director for the board meeting with agenda seven days prior to the meeting, and may be through email or fax. If there's any urgent matter, it could be convened 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.

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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.

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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.

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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 Company shall allocate the net profit ("earnings"), if any, according to the following sequence:

1. Making up loss for preceding years

2. Setting aside 10% for legal reserve
3. Setting aside or reverse special reserve(s) according to the business need or laws and regulations.
4. Any remaining earnings should be added to the accumulated retained earnings and current period's adjustments, and the board can determine to distribute or to retain according to the dividend policy.

Because the Company is still in its growth stage, the dividend policy of the Company shall be determined pursuant to the factors, such as the economics, growth potential, sustainability, and long term development. The steadiness and growth of dividends will be also taken into account. Cash dividends, which were specified in the fourth point above, shall not be below ten percent (10%) of the total dividends, but when the cash dividends fall below NT\$0.5 per share, dividends shall be distributed in the form of stocks.

Article 18-1

The Company shall distribute no less than 1 percent of the current year's profit if any as compensation for employees and the Board could decide to distribute in stocks or cash. The employees to receive compensation may include certain qualified employees from affiliate companies. The Board could also decide no more than 1 percent of the abovementioned profit as compensation for Directors. The distribution of compensation for employees and Directors should be reported during Shareholders' Meeting. However, when there's accumulated losses, the Company shall reserve certain amount to compensate the accumulated losses and then distribute the profits to employees and Directors based on the abovementioned percentage.

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.

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, Paragraph1 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, Paragraph1-4 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

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

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.

Article 19

These Rules, and any amendments hereto, shall be implemented after adoption by shareholders meetings.

Appendix III: Shareholdings of All Directors

- Catcher Director Shareholding and Legal Minimum Shareholdings is as follows:
Common shares issued 770,391,069 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 April 13, 2018, all board members' shareholding are as follows:

Position	Name	Number of shares	Shareholding %
Director	Shui-Shu Hung	10,704,834	1.39%
Director	Tien-Szu Hung	10,661,889	1.38%
Director	Shui-Sung Hung	10,278,970	1.33%
Director	Ming-Long Wang	0	0.00%
Independent Director	Lih-Chyun Shu	0	0.00%
Independent Director	Mon-Huan Lei	0	0.00%
Independent Director	WEN-JIE Huang	8,669	0.00%
All Directors		31,654,362	4.10%

Appendix IV: 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 2018'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 2018/03/29 to 2018/04/9. No proposals for 2018's shareholders' meeting were received during the period.