

**CATCHER TECHNOLOGY CO., LTD**  
**2020 FIRST EXTRAORDINARY SHAREHOLDERS' MEETING Minutes**  
(Translation)

**DISCLAIMER:**

For the convenience of readers, the procedure, agenda, attachments, resolutions, meeting minutes 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.

Time: 10:00 am, Monday, October 5, 2020

Place: Silks Place Tainan Hotel (2F, No. 1, Heyi Rd., West Central Dist., Tainan City, Taiwan ROC)

Total outstanding Catcher shares: 761,618,069 shares

Total shares represented by shareholders present in person or by proxy: 575,064,203 shares (including votes casted electronically of 479,485,758 shares)

Percentage of shares held by shareholders present in person or by proxy: 75.50%

Chairman: Shui- Shu Hung, the Chairman of the Board of Directors

Recorder: Yu-Fen Wang

Participants: Shui-Sung Hung, Director

Mon-Huan Le, Director

Wen-Che Tseng, Independent Director

Cong-Jhu Liang, Independent Director

Ming-Yang Cheng, Independent Director

Ying-Zhen Chen, Attorney from Deloitte

Ji-Zhen Li, Accountant from Deloitte

James Wu, Vice President

The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairman called the meeting to order.

**A. Chairman's Address (omitted)**

**B. Items for Discussion:**

Item 1: "Lyra International Co., Ltd., the subsidiary of the Company, intends to sell 100% of its stakes of Topo Technology (Taizhou) Co., Limited, and Meeca Technology (Taizhou) Co., Limited in mainland China to Lens International (Hong Kong) Co., Ltd." (Proposed by the board of directors)

**Description:**

1. For the future financial planning, long-term operation development and strategic transformation of the Company, in accordance with the company law, the Securities and Exchange Act, the Rules and Procedures for acquisition or disposal of assets by public companies, the Rules and Procedures for capital loans and endorsement guarantee of public companies, the Rules and Procedures for the acquisition or disposal of assets of the Company, Implementation measures for endorsement and guarantee of the Company and other relevant regulations, on August 18, 2020, the board of directors of the Company has passed the resolution to sell 100% of stakes of Topo Technology (Taizhou) Co., Limited. (hereinafter referred to as "Topo (Taizhou)") and Meeca Technology (Taizhou) Co., Limited (hereinafter referred to as "Meeca (Taizhou)"), which were held by the subsidiary Lyra International Co, Ltd. (hereinafter referred to as "the seller"), were sold to Lens International (Hong Kong) Co., Ltd. (hereinafter referred to as "the buyer") at the price of USD \$1,427,294,484.00 (about NT\$ 42,105,187,278) (hereinafter referred to as "the transaction"). The Company acts as the seller's guarantor and Lens Technology Co., Ltd. acts as the buyer's guarantor. The Company and the seller, the buyer and the buyer's guarantor have jointly signed the Share Purchase Agreement on August 18, 2020 (for excerpt, please refer to Annex 1 on page 7 of this Handbook). The buyer has paid the down payment which is equal to 10% of transaction price to the seller on the signing date; when the Share Purchase Agreement is terminated due to specific events, the seller shall return the down payment to the buyer. For the return of the down payment, "Meeca (Taizhou)" will issue a letter of guarantee to the buyer to ensure the seller to fulfill this obligation.
2. The determination of the transaction price is based on the financial statements of Topo (Taizhou) and Meeca (Taizhou) in the year 2019, and considering their various factors such as business operation, retain earnings, market value in the same industry, net book value, future prospects, etc., and in accordance with article 48-2 of the Operating Rules of Taiwan Stock Exchange Corporation, JL Chen, CPA which is an independent accounting firm was appointed to issue the Opinion of price reasonableness and the influence of shareholders' equity of the Company (please refer to Annex 2 on page 12 of this Handbook). After comprehensive evaluation, both parties negotiated to reach the transaction price of USD \$1,427,294,484.00 (about NT \$42,105,187,278).
3. The audit committee of the Company has exercised the authority of the audit committee in accordance with the relevant regulations such as the Securities and Exchange Act, the Rules and Procedures for Acquisition or Disposal of Assets by Public Companies, and the Exercise of Powers by Audit Committees of Public Companies. It has considered the factors such as the company's future financial planning, long-term operation development and strategic transformation and consulted with the opinion, which was issued by the independent accounting firm JL Chen, CPA, on the reasonableness of the price and its influence of the shareholders' equity of the Company to submit that the equity value interval of Topo (Taizhou) and Meeca (Taizhou) is between RMB 8,330,646 thousand and RMB 10,385,844 thousand. Therefore, the transaction price of USD \$1,427,294,484.00 (about RMB 9,900,000,000) which is within the price interval assessed by the above-mentioned independent expert should be reasonable. The audit committee of the Company approved the transaction after considering the fairness and rationality of the transaction, and submitted the review results to the board of directors and the shareholders' meeting of the Company (please refer to Annex 3 on page 21 of this Handbook).
4. This transaction needs to be approved by the relevant authorities, registered according to laws or recorded, and is expected to be completed before December 31, 2020.
5. Considering the proportion of Topo (Taizhou) and Meeca (Taizhou) in the reinvestment of the Company and the proportion of the Company's sales revenue, this transaction shall be regarded as the concession of main part of operations or assets which is stipulated in Article 185, Paragraph 1, Item 2 of the Company law, and thus should be approved by the shareholders' meeting. The Company will follow Article 53-10 of the operating rules of Taiwan Stock Exchange Corporation and apply to Taiwan Stock Exchange Corporation for the approval of continued listing at least 30 business days before the concession date.
6. Submit to the Extraordinary General Meeting to agree on this transaction and the Share Purchase Agreement, and authorize and ratify the chairman, general manager and their designated persons to handle all matters related to the transaction, including but not limited to preparing, negotiating or amending the Share Purchase Agreement, the guarantee letter and relevant documents of this transaction; adjust the transaction price and the settlement date of the transaction; submit application or declaration to the authority; sign, execute and handle the Share Purchase Agreement, the guarantee letter and related documents of this transaction and related matters; and implement or adjust the transaction settlement and other related matters.

(The content of shareholders' questions and speeches and the company's replies are omitted.)

**Resolution:**

Voting Results: Shares present at the time of voting: 572,577,461

Voting Results*	% of the total represented share present
Votes for: 511,124,311 votes (415,864,082 votes)	89.26%
Votes against: 442,946 votes (442,946 votes)	N.A.
Votes invalid or abstained: 61,009,204 votes (60,702,988 votes)	N.A.

\*including votes casted electronically (number in brackets)

RESOLVED, that the above proposal was approved as proposed.

C. Other Business and Special Motion:

(The content of shareholders' questions and speeches and the company's replies are omitted.)

None

D. Meeting Adjourned

(Meeting was adjourned at 11:10)

(The minutes of 2020 first extraordinary general shareholders' meeting recorded the key points of the meeting and only noted the voting results of each resolution or discussion item. The content and process of the meeting and the inquiries of the shareholders should refer to the records and the videos of the meeting.)

# Attachment I

## The Share Purchase Agreement [Excerpt]

This Share Purchase Agreement (hereinafter referred to as the "agreement") has been signed by the following parties on August 18, 2020 (hereinafter referred to as the "signing date"):

1. Lyra International Co., limited, a company incorporated under the laws of Hong Kong, with its address at Room 1902, 19 / F, Lee Garden one, 33 Hysan Avenue, Causeway Bay, Hong Kong (hereinafter referred to as the "the **seller**");
2. Catcher Technology Co., Ltd., a company established under the laws of Taiwan, with its address at 398 Ren'ai Street, Yongkang District, Tainan City (hereinafter referred to as the "the **seller's guarantor**");
3. Lens International (Hong Kong) Co., Ltd., a company incorporated under the laws of Hong Kong, with its address at Room A, 7 / F, Wanzhaofeng Center, 133 Hoi Bun Road, Kwun Tong, Hong Kong (hereinafter referred to as "**the buyer**"); and
4. Lens Technology Co., Ltd., a company established under the laws of China, with its address at Liuyang Biomedical Park, Hunan Province (hereinafter referred to as the "the **buyer's guarantor**").

(Omitted)

### Preface

Due to that the seller holds 100% stakes of (1) Topo Technology (Taizhou) Co., Limited. (a company established under laws of China, with the Unified Social Credit Identifier of 913212915969303555 and the domicile at No. 227, Xiangtai Road, Taizhou City, and its legal representative is Yang Yiwen, hereinafter referred to as "**Topo (Taizhou)**"), and 100% stakes of (2) Meeca Technology (Taizhou) Co., Limited (a company established under laws of China, with the Unified Social Credit Identifier of 91321291MA1MK93018 and the domicile at No. 227, Xiangtai Road, Taizhou City, and its legal representative is Yang Yiwen, hereinafter referred to as "**Meeca (Taizhou)** ") (Topo (Taizhou) and Meeca (Taizhou) , hereinafter collectively referred to as the "**the target companies**").

(Omitted)

In the view of that the parties hereby agree and appoint as follows:

### 1. Share Purchase

(Omitted)

1.2 The parties agree that the consideration for the target equity is USD \$1,427,294,484 (hereinafter referred to as the "the transaction price"). The transaction price (including down payment) in this agreement shall be paid in US dollars.

#### 1.3 Down payment and guarantee of intention

1.3.1 The buyer shall pay the seller an amount equal to 10% of the transaction price on the signing date, i.e. US \$142,729,448.40 (hereinafter referred to as the "the **down payment**"). At the time of settlement, the down payment shall be automatically converted into a part of the transaction price and shall be deemed that the buyer has paid to the seller.

1.3.2 The seller shall, on the signing date, require Meeca (Taizhou) to sign and deliver to the buyer with the letter of guarantee with the buyer as the warrantee and an amount equal to the down payment, so as to guarantee the seller to perform obligations under Article 8.2 (hereinafter referred to as the "**the guarantee of down payment**").

(Omitted)

#### 1.6 Payment of the transaction price

(Omitted)

1.6.2 On the settlement date, the buyer and the seller shall issue the joint order to the custodian bank to release US Dollar amount equal to 50% of the transaction price to the seller.

1.6.3 After the seller finishes the registration of the city supervision change and provides the publicity page of completion of the registration of the city supervision change displayed on the national enterprise credit information publicity system, and the buyer can query the same result in the national enterprise credit information publicity system, on the next working day the buyer and seller can issue a joint order to the custodian bank to release the US dollar amount equal to 40% of the transaction price to the seller.

### 2 Terms of Settlement

#### 2.1 Common Settlement Preconditions of Seller and Buyer

(Omitted)

## 2.2 Settlement Preconditions of Seller

Besides in accordance with Clause 2.1, the seller shall perform its settlement obligations in accordance with Clause 3, on the premise that the following conditions have been fulfilled on or before the settlement date or have been explicitly exempted in writing by the seller:

(Omitted)

2.2.3 The seller guarantor has held its shareholders' meeting in accordance with its articles of association and applicable law no later than October 10, 2020, and the shareholders meeting of the seller guarantor has approved this transaction.

## 2.3 Settlement Preconditions of Buyer

(Omitted)

## 3 **Settlement**

(Omitted)

## 4 **Seller's Statements and Warranty**

(Omitted)

## 5 **Buyer's Statements and Warranty**

(Omitted)

## 6 **Commitments**

(Omitted)

## 7 **Duty of Confidentiality**

(Omitted)

## 8 **Termination**

### 8.1 Termination of the Contract

With respect to the seller and the seller's guarantor as one party, the buyer and the buyer's guarantor as the other party, respectively (respectively regarded as one party for the purposes of this Clause 8), this contract can be terminated before the settlement date in any of the following circumstances:

(1) Both parties agree and conclude written termination agreement;

(2) Limited by Clause 8.1 (3), if any of settlement preconditions listed in Clause 2 cannot be fulfilled or is exempted by one party on and before December 31, 2020 (hereinafter referred to as the "final deadline", limited by the adjustment of following Clause (3) and Clause 11.7), or is manifestly unable to be fulfilled, either party shall have the right to terminate this contract immediately by written notice to the other party,(omitted below)

(Omitted)

## 9 **Compensation**

### 9.1 The Scope of Compensation

9.1.1 Limited by Clause 9.2, if the buyer or the seller (the "indemnifying party") has any of the following events, which causes any other party, its affiliated parties and the directors, employees and representatives of the aforementioned entities (collectively referred to as the "indemnities". For preventing ambiguity, the indemnities of the buyer after settlement shall include the target company) to bear any costs, liabilities or losses, the Indemnifying Party shall compensate the Indemnity for the above-mentioned losses, whether it's caused by a third party's claim or not:

(1) The Indemnifying Party is in breach of any of its commitments or obligations under this agreement or any other transactions; or

(2) Any fraud or intentional misconduct of the Indemnifying Party related to this transaction.

(Omitted)

## **10 Guarantor's Commitment**

10.1 The seller's guarantor committed to the buyer that the seller shall take the joint and several liabilities for the buyer for seller's timely and full compliance and performance of all its obligations and commitments under or related to this agreement and any other transactions.

10.2 The buyer's guarantor committed to the seller that the buyer shall take the joint and several liabilities to the seller for the buyer's timely and full compliance and performance of all its obligations and commitments under or related to this agreement and any other transactions.

## **11 General Matters**

(Omitted)

### **11.8 Applicable Law**

This agreement shall take the laws of Hong Kong as applicable laws and be interpreted in accordance with the laws of Hong Kong, but excluding the applicable principles in case of conflict of selecting laws.

### **11.9 Dispute Settlement**

Any argument, dispute or request arising from or in connection with this agreement shall be negotiated by the parties in advance. If the negotiation fails, the parties shall agree that any argument, dispute or request arising from or in connection with this agreement or its breach, termination or invalidity shall be submitted to the Hong Kong International Arbitration Center for arbitration in accordance with the arbitration rules of the Hong Kong International Arbitration Center (hereinafter referred to as "the arbitration rules"). The arbitration place shall be Hong Kong. The arbitration proceedings shall be executed in Chinese and the arbitration tribunal shall be consisted of three (3) arbitrators appointed in accordance with the arbitration rules. The arbitration judgment shall be the final ending and binding on all parties. Either party may apply to any court with jurisdiction to execute this arbitration judgment. In order to execute this arbitration judgment, the parties irrevocably and unconditionally agree to submit this arbitration judgment to any court with jurisdiction and waive any defense related to jurisdiction or inconvenient court.

(Omitted)

[Blank below]

(Omitted)

## Attachment II:

**JL Chen, CPA**

3F-6, No.77, Sec.2, Dunhua  
S.Rd. Da'an Dist., Taipei 10682,  
Taiwan

Phone: +886 2 27078098  
Fax: 886 2 27078128

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Transaction Price Reasonableness Opinions of 100% stakes of Topo Technology (Taizhou) Co., Limited and Meeca Technology (Taizhou) Co., Limited which shall be sold by Lyra International Co. Ltd., the subsidiary of Catcher Technology Co., Ltd.

Lyra International Co., the subsidiary of Catcher Technology Co., Ltd, Ltd. intends to sell 100% stakes of Topo Technology (Taizhou) Co., Limited (hereinafter referred to as "Topo (Taizhou) ") and Meeca Technology (Taizhou) Co., Limited (hereinafter referred to as "Meeca (Taizhou) ") (hereinafter collectively referred to as the "the target companies"). Therefore, Catcher Technology Co., Ltd. appointed the accountant to express the opinion for the transaction price.

### 1. The Valuation Date

Take June 30, 2020 as the valuation date.

### 2. Transaction background

- (1) Catcher Technology Co., Ltd. was established on November 23, 1984. Its shares have been listed and traded in the Taiwan Stock Exchange Corporation (stock code 2474) on September 17, 2001. The paid-in capital on the valuation date was NT \$7,616,181,000.00. Catcher Technology Co., Ltd. production base in Taiwan is mainly located in Tainan, its main business scope includes production, marketing and development of all kinds products related to casing and internal structure parts, covering aluminum magnesium alloy die-casting, extrusion, forging, anodizing and vacuum sputter coating, etc., which are applied on the process related to consumer electronics products. It also provides customers with metal structure parts for mainstream models of smartphones, tablet computers, notebooks, MP3 and digital cameras.
- (2) Topo (Taizhou) and Meeca (Taizhou) are located in Taizhou Export Processing Zone, Jiangsu Province, which were respectively established on June 12, 2012 and May 3, 2016. The registered capital on the valuation date were respectively RMB 1,235,419 thousand and RMB 1,303,478 thousand. Topo (Taizhou) and Meeca (Taizhou) mainly operate in the production, sale and development of various alloys.
- (3) Based on the consideration of internal business operation, the subsidiary Lyra International Co., Ltd. intends to sell 100% stakes of Topo (Taizhou) and Meeca Technology (Taizhou) with US \$1,427,294 thousand (equivalent to about RMB 9.9 billion according to the exchange rate of USD to RMB 1:6.9362 by the People's Bank of China on August 17, 2020) (hereinafter referred to as the "transaction price").

### 3. Value Standard and Value Premise

This opinion is based on the Going-concern assumption, and the value standard adopted is fair market value. Fair market value refers to "the price of cash or cash equivalent that can be achieved for asset exchange or debt settlement by unspecified market participants who have the intention and ability to conclude transactions, understand relevant facts, and are not forced to make normal transactions in an open and unrestricted market." The fair market value does not reflect that the specific investor pays more or less than the fair market value because of the specific circumstances and the transaction synergy or based on strategic considerations.

### 4. Data Sources

The data sources used in the valuation of this case are the operation and financial information of the target company, as well as relevant information available in the open market. The conclusion of the valuation is based on the premise that the above information is complete without significant error.

The main data sources of value valuation are shown as follows:

- (1) Share Purchase Agreement (Draft).
- (2) The balance sheet and income statement of the target company audited by certified public accountant from 2017 to 2019.
- (3) The balance sheet and income statement of the target company audited by certified public accountant in the second quarter of 2020.
- (4) Discussion with management.
- (5) Professional database of S&P Capital IQ.
- (6) Relevant information obtained from the open market.

### 5. Basic Assumptions of Valuation

The main basic assumptions of this case are shown as follows:

- (1) On the valuation date, the target company has no significant pending matters, litigation (including tax and other legal disputes) and contingent liabilities.
- (2) The prosperity of the target company's industry is generally in consistent with the forecast and analysis of general research institutions.
- (3) There is no significant changes in the relevant regulation and policies of the target company's industry.
- (4) There are no significant changes in the politics, regulations, finances and macro economy of the target company's market.
- (5) There is no significant changes in the taxation and related regulations of the target company's market.

(6) There is no significant fluctuation in the current interest rate and exchange rate of the target company's market.

## 6. Valuation Methods

### **The following three methods are often used in enterprise valuation practice:**

#### (1) Asset Approach——Net Assets Adjustment Approach

- The asset approach is to evaluate the total value of individual assets and liabilities covered by the valuation target to reflect the overall value of the enterprise or equity.
- Under the premise of going-concern assumption, the asset approach estimates the consideration required for the reorganization or acquisition of the valuation target. Only if the valuation target is not taken continued operation or use as the premise, the overall liquidation value of the enterprise or equity shall be assessed.

#### (2) Market Approach—Market price approach / The comparable listed and public company approach/ The comparable transaction approach

- The market approach is based on the actual price of the target company's stock traded by market participants in the active market, which directly reflects the quotation of the target company's stock in the open market.
- The comparable listed and public company approach and the comparable transaction approach of the market approach are based on the transaction price of the comparable target, and the difference between the valuation target and the comparable target shall be considered, and the value of the valuation target shall be estimated by the appropriate value multiplier.
- When the enterprise and the selected comparable listed and OTC companies are at the relatively mature stage of the industry, the market approach is applicable.

#### (3) Income approach —Discounted cash flow method

- The income approach is based on the future interest flow created by the valuation target, and converts the future interest flow into the value of the valuation target through the process of capitalization or discount.

### **The valuation method of this case is shown as follows:**

According to the characteristics of the above-mentioned three types of valuation approaches, considering the information such as the industrial characteristics, operating status, the availability of the information required for the valuation, etc. of the target company, "the comparable listed and public company approach" and "the comparable trading approach" of the market approach shall be used as the valuation methods.

## 7. Historical Financial Information

### (1) Historical Financial Information of Topo (Taizhou)

#### 1. The concise balance sheet of Topo (Taizhou) audited or reviewed by the certified public accountant.

RMB in thousand				
Item / Date	2020//6/30	2019/12/31	2018/12/31	2017/12/31
Current Assets	2,193,808	4,085,446	4,743,772	4,370,906
Noncurrent Assets	1,816,004	2,096,585	2,564,294	3,062,855
<b>Total Assets</b>	<b>4,009,812</b>	<b>6,182,031</b>	<b>7,308,066</b>	<b>7,433,761</b>
<b>Total Liabilities</b>	<b>1,847,787</b>	<b>4,128,062</b>	<b>4,929,038</b>	<b>3,075,248</b>
<b>Total Shareholders' Equity</b>	<b>2,162,025</b>	<b>2,053,969</b>	<b>2,379,028</b>	<b>4,358,513</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>4,009,812</b>	<b>6,182,031</b>	<b>7,308,066</b>	<b>7,433,761</b>

#### 2. The concise income statement of Topo (Taizhou) audited or reviewed by the certified public accountant

RMB in thousand				
Item / period	The second quarter of 2020	The year 2019	The year 2018	The year 2017
<b>Sales revenue</b>	<b>2,317,213</b>	<b>5,482,002</b>	<b>4,852,771</b>	<b>4,753,695</b>
COGS	(2,084,651)	(5,061,982)	(3,890,036)	(2,892,180)
<b>Operating gross profit</b>	<b>232,562</b>	<b>420,020</b>	<b>962,735</b>	<b>1,861,515</b>
Operating expenses	(148,837)	(389,544)	(436,017)	(371,437)
<b>Operating profit</b>	<b>83,725</b>	<b>30,476</b>	<b>526,718</b>	<b>1,490,078</b>
Non-operating income and expenditure	19,607	42,678	114,347	99,233
<b>Net profit before tax</b>	<b>103,332</b>	<b>73,154</b>	<b>641,065</b>	<b>1,589,311</b>
Income tax expense	(37,924)	(28,836)	(181,752)	(430,541)
<b>Net profit of the current period</b>	<b>65,408</b>	<b>44,318</b>	<b>459,313</b>	<b>1,158,770</b>



(2)Historical Financial Information of Taizhou Keli

1. The concise balance sheet of Meeca (Taizhou) audited or reviewed by the certified public accountant.

RMB in thousand				
Item / Date	2020/6/30	2019/12/31	2018/12/31	2017/12/31
Current Assets	2,673,262	3,004,572	2,485,718	2,286,976
Non-current Assets	1,518,415	1,700,483	1,754,986	1,436,642
Total Assets	4,191,677	4,705,055	4,240,704	3,723,618
Total Liabilities	2,497,502	3,162,137	2,141,207	2,199,008
Total Shareholders' Equity	1,694,175	1,542,918	2,099,497	1,524,610
Total Liabilities and Shareholders' Equity	4,191,677	4,705,055	4,240,704	3,723,618

2. The concise income statement of Meeca (Taizhou) audited or reviewed by the certified public accountant

RMB in thousand				
Item / period	The second quarter of 2020	The year 2019	The year 2018	The year 2017
Sales revenue	1,758,774	2,713,331	3,321,861	1,632,357
COGS	(1,494,910)	(2,523,636)	(2,221,058)	(1,000,182)
Operating gross profit	263,864	189,695	1,100,803	632,175
Operating expenses	(87,477)	(203,092)	(256,660)	(171,602)
Operating profit	176,387	(13,397)	844,143	460,573
Non-operating income and	23,791	92,447	129,571	146,152
Net profit before tax	200,178	79,050	973,714	606,725
Income tax expense	(48,922)	(13,202)	(240,591)	(153,015)
Net profit of the current period	151,256	65,848	733,123	453,710

8.Valuation steps

The valuation steps of this case are shown as follows:

- (1) Review and analyze the historical financial information of the target company on the valuation date.
- (2) Obtain market and industry related information from the open market and global professional databases.
- (3) According to the business model and main products of the target company, the comparable companies and comparable trading cases of the listed and pubic shall be selected.
- (4) Evaluate and analyze the equity value of the target company on the valuation date.
- (5) Make necessary discount and premium adjustment for the equity value of the target company.
- (6) According to the conclusion of value interval, the independent expert opinion on the rationality of transaction price shall be issued.

9. The Control Premium

Lyra International Co., Ltd., the subsidiary of Catcher Technology Co., Ltd. intends to sell 100% stakes of Topo (Taizhou) and Meeca (Taizhou) through this transaction. Based on the above-mentioned transaction background, when evaluating the equity value of the target company, the control premium that the buyer needs to pay for acquiring the equity of the target company shall be considered.

This case selected related M&A transactions for industries related to the electronic communication parts and equipment in China and Hong Kong, and analyzed the premium between the transaction price and the historical stock price, and concluded that the control premium was 25%.

10. Discount Adjustment for Lack of market liquidity

For market participants, normally when value factors of the 2 valuation targets, for example the generating capacity of future interest flow and the risk, are same, if the realization ability of one target significantly lower than that of the other, the market participants will properly discount

the value of the less realizable target to reflect the liquidity risk.

Based on the fact that the target company on the valuation date is not public company, it is necessary to consider the adjustment of equity value due to the lack of market liquidity discount. Since the target company does not have a clear listing schedule, this case refers to the empirical research material of "stout restricted stock study companion guide, stout risius Ross, LLC", and concludes that the lack of market liquidity discount which is applicable to the target company is 21%.

## 11. Equity value analysis

### (1) The comparable listed and public company approach

Based on the financial information of the target company within the latest 12 months from the valuation date, this case adopts "EV / sales", "EV / EBITDA", "EV / EBIT", "P / E" and "P / B" without outliers, equity value analysis shall be performed. Based on the above analysis, it is estimated that the equity value of Topo (Taizhou) is between RMB 3,449,729,000 and RMB 5,063,798,000, and that of Meeca (Taizhou) is between RMB 3,721,083,000 and RMB 5,322,046,000.

### (2) The comparable transaction approach

Based on the financial information of the target company within the latest 12 months from the valuation date of asset, this case selects the value multipliers of EV / sales, EV / EBITDA, EV / EBIT, P / E and P / B of similar transactions in industries related to the electronic communication components and equipment in China and Hong Kong without outliers. Based on the above analysis, it is estimated that the equity value range of Topo (Taizhou) is between RMB 4,098,874,000 and RMB 7,874,911,000, and that of Meeca (Taizhou) is between RMB 4,231,772,000 and RMB 7,493,501,000.

According to the above market analysis results, it is concluded that the equity value range of Topo (Taizhou) is between RMB 4,098,874,000 and RMB 5,063,798,000, and that of Meeca (Taizhou) equity is between RMB 4,231,772,000 and RMB 5,322,046,000, and the total equity value range of the target company is between RMB 8,330,646,000 and RMB 10,385,844,000.

## 12. Influence of this transaction on shareholders' equity

Lyra International Co., Ltd., a subsidiary of Catcher Technology Co., Ltd., intends to sell 100% stakes of Topo (Taizhou) and Meeca (Taizhou) by US \$1,427,294,000 dollars. Since it is higher than the book value, it is estimated that this transaction will have an interest influence of about NT\$ 23,995,926,000 dollars without considering the relevant tax (the actual influence will be subject to the amount audited or reviewed by the accountant after the settlement date) on shareholders' equity on the valuation date of asset. There is no significantly adversity to shareholders' equity.

## 13. The Conclusion of Valuation

Based on the above assessment and analysis, the accountant considers that the equity value range of the target company is between RMB 8,330,646,000 and RMB 10,385,844,000, so Lyra International Co, Ltd., a subsidiary of Catcher Technology Co, Ltd. intends to use US \$1,427,294,000 dollars (converted into RMB 9.9 billion according to the US dollar to RMB ratio of 1:6.9362 by the People's Bank of China on August 17, 2020) as the transaction price for selling 100% stakes of Topo (Taizhou) and Meeca (Taizhou) is reasonable, and according to the above statement, there is no significant adversity to shareholders' equity on the valuation date.

### Restrictions and disclaimers on the use of opinion

Except for the purpose stated in the content, this opinion shall not be used for other purposes or used unilaterally. This opinion shall be only for the internal use of the Catcher Technology Co., Ltd., as well as the attachments required to be reported or announced according to relevant laws and regulations. It shall not be allowed to be used by other third parties or used for other purposes without the consent of the accountant. This opinion shall be only related to the above items and shall not be interpreted as related to the overall financial statements of the target company

The accountant only assessed the rationality of the trading price from the perspective of an independent third party, and did not actually participate in the planning of the transaction structure of this case. This opinion was issued according to the information obtained in the open market. The accountant did not audit the above information in accordance with generally accepted auditing standards.

The valuation date of this opinion was June 30, 2020. This opinion analyzed on the premise that the target company maintains the existing operating conditions, without significant changes in the industry, and without significant changes in the open market price. It does not consider the impact of any unexpected changes on the value of the target company. If there is any change between the actual transaction content and the above description, the conclusion of this opinion shall be changed accordingly. After the issue of this opinion, if the actual situation changes and without appointment of re-valuation, the accountant shall not update.

The conclusion drawn in this opinion is the characteristic that is only for the reference to equity value, and it does not necessarily become the final determination amount of money of the equity value by the client or the user.

Best regards,

JL Chen CPA  
Accountant: Chen JingLing  
August 17th, 2020

Catcher Technology Co, Ltd.

## Attachment III:

**Catcher Technology Co., Ltd**  
**Proceedings of the Audit Committee (excerpt)**  
(7th Meeting of the 3rd Council)

I. Time: 8:00AM, Tuesday, August 18, 2020

II. Location: Meeting Room of the Company

III. Present Committee Members: Zeng Wenzhe, Liang congzhu and Zheng Mingyang

Absent Committee Members: 0

Non-voting Personnel: Senior Assistant Manager of Finance, Chen Meixing

IV. President: Wen-Che Tseng Record:

V. Report items: (omitted)

VI. Recognition and Discussion:

**The first item:** Lyra International Co., Ltd., the subsidiary of the Company, intends to sell 100% of its stakes of Topo Technology (Taizhou) Co., Limited, and Meeca Technology (Taizhou) Co., Limited in mainland China to Lens International (Hong Kong) Co., Ltd.

Description:

1. For the future financial planning, long-term operation development and strategic transformation

of the Company, in accordance with the company law, the Securities and Exchange Act, the Rules and Procedures for acquisition or disposal of assets by public companies, the Rules and Procedures for capital loans and endorsement guarantee of public companies, the Rules and Procedures for the acquisition or disposal of assets of the Company, Implementation measures for endorsement and guarantee of the Company and other relevant regulations, on August 18, 2020, the board of directors of the Company has passed the resolution to sell 100% of stakes of Topo Technology (Taizhou) Co., Limited. (hereinafter referred to as "Topo (Taizhou)") and Meeca Technology (Taizhou) Co., Limited (hereinafter referred to as "Meeca (Taizhou)"), which were held by the subsidiary Lyra International Co, Ltd. (hereinafter referred to as "the seller"), were sold to Lens International (Hong Kong) Co., Ltd. (hereinafter referred to as "the buyer") at the price of USD \$1,427,294,484.00 (about NT\$ 42,105,187,278) (hereinafter referred to as "the transaction"). The Company acts as the seller's guarantor and Lens Technology Co., Ltd. acts as the buyer's guarantor. The Company and the seller, the buyer and the buyer's guarantor have jointly signed the Share Purchase Agreement on August 18, 2020 (for excerpt, please refer to Annex 1 on page 7 of this Handbook). The buyer has paid the down payment which is equal to 10% of transaction price to the seller on the signing date; when the Share Purchase Agreement is terminated due to specific events, the seller shall return the down payment to the buyer. For the return of the down payment, "Meeca (Taizhou)" will issue a letter of guarantee to the buyer to ensure the seller to fulfill this obligation.

2. The determination of the transaction price is based on the financial statements of Topo (Taizhou) and Meeca (Taizhou) in the year 2019, and considering their various factors such as business operation, retain earnings, market value in the same industry, net book value, future prospects, etc., and in accordance with article 48-2 of the Operating Rules of Taiwan Stock Exchange Corporation, JL Chen, CPA which is an independent accounting firm was appointed to issue the Opinion of price reasonableness and the influence of shareholders' equity of the Company (please refer to Annex 2 on page 11 of this Handbook). After comprehensive evaluation, both parties negotiated to reach the transaction price of USD \$1,427,294,484.00 (about NT \$42,105,187,278).

3. The audit committee of the Company has exercised the authority of the audit committee in accordance with the relevant regulations such as the Securities and Exchange Act, the Rules and Procedures for Acquisition or Disposal of Assets by Public Companies, and the Exercise of Powers by Audit Committees of Public Companies. It has considered the factors such as the company's future financial planning, long-term operation development and strategic transformation and consulted with the opinion, which was issued by the independent accounting firm JL Chen, CPA, on the reasonableness of the price and its influence of the shareholders' equity of the Company to submit that the equity value interval of Topo (Taizhou) and Meeca (Taizhou) is between RMB 8,330,646 thousand and RMB 10,385,844 thousand. Therefore, the transaction price of USD \$1,427,294,484.00 (about RMB 9,900,000,000) which is within the price interval assessed by the above-mentioned independent expert should be reasonable. The audit committee of the Company approved the transaction after considering the fairness and rationality of the transaction, and submitted the review results to the board of directors and the shareholders' meeting of the Company (please refer to Annex 3 on page 20 of this Handbook).

4. This transaction needs to be approved by the relevant authorities, registered according to laws or recorded, and is expected to be completed before December 31, 2020.

5. Considering the proportion of Topo (Taizhou) and Meeca (Taizhou) in the reinvestment of the Company and the proportion of the Company's sales revenue, this transaction shall be regarded as the concession of main part of operations or assets which is stipulated in Article 185, Paragraph 1, Item 2 of the Company law, and thus should be approved by the shareholders' meeting. The Company will follow Article 53-10 of the operating

rules of Taiwan Stock Exchange Corporation and apply to Taiwan Stock Exchange Corporation for the approval of continued listing at least 30 business days before the concession date.

6. Submit to the Extraordinary General Meeting to agree on this transaction and the Share Purchase Agreement, and authorize and ratify the chairman, general manager and their designated persons to handle all matters related to the transaction, including but not limited to preparing, negotiating or amending the Share Purchase Agreement, the guarantee letter and relevant documents of this transaction; adjust the transaction price and the settlement date of the transaction; submit application or declaration to the authority; sign, execute and handle the Share Purchase Agreement, the guarantee letter and related documents of this transaction and related matters; and implement or adjust the transaction settlement and other related matters.

7. After the audit committee's deliberation and the resolution of the board of directors, the item shall be submitted to the Extraordinary General Meeting for discussion.

**Resolution:** In accordance with relevant regulations, and in accordance with the reasonable opinion issued by accountant Chen Jingling from JL Chen CPA, who is an independent expert, the committee considers that the equity value range of Topo (Taizhou) and Meeva (Taizhou) is between RMB 8,330,646,000.00 and RMB 10,385,844,000.00, so the transaction price is US \$1,427,294,484.00 dollars (about RMB 9,900,000,000.00 ). It should be reasonable if it is within the price range assessed by the above independent experts. After the audit committee of the Company deliberated on the fairness and rationality of the transaction, the chairman consulted all the present members and unanimously agreed to pass it, and submitted it to the board of directors and the shareholders' meeting for resolution.

VII. Other Business and Special Motion: No

VIII. Meeting adjourned

President: Wen-Che Tseng

Recorded by: Shu-Hui Huang