

CATCHER TECHNOLOGY CO., LTD
2020 ANNUAL 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 a.m., June 30, 2020

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

Total outstanding Catcher shares: 762,599,069 shares

Total shares represented by shareholders present in person or by proxy: 650,539,033 shares (including votes casted electronically of 560,115,261 shares)

Percentage of shares held by shareholders present in person or by proxy: 85.30%

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

Recorder: Pei-Wen Chao

Participants: Mon-Huan Le, Director

Wen-Che Tseng, Independent Director

Cong-Jhu Liang, Independent Director

Ming-Yang Cheng, Independent Director

James Wu, Vice President

Hong Ru Liao, Independent Auditor

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. Report Items:

1. To report the business of 2019

Explanatory Notes: Please refer to Attachment I.

2. Audit Committee's review report of 2019

Explanatory Notes: Please refer to Attachment II.

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

Explanatory Notes: Please refer to Attachment III

4. The execution of shares buyback plan

Explanatory Notes: Please refer to Attachment IV

5. Profits distribution for 2019

Explanatory Notes: Please refer to Attachment V

C. Acknowledging items:

1. To accept 2019 Business Report and Financial Statements (Proposed by the Board of Directors)

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

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

Voting Results: Shares present at the time of voting: 650,539,033

Voting Results*	% of the total represented share present
Votes for: 574,122,670 votes (483,785,233 votes)	88.25%
Votes against: 1,675,453 votes (1,675,453 votes)	N.A.
Votes invalid or abstained: 74,740,910 votes (74,654,575 votes)	N.A.

*including votes casted electronically (number in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

2. To approve the proposal for distribution of 2019 profits (Proposed by the Board of Directors)

Explanatory Notes: (1) CATCHER's distribution of 2019 profits was reviewed by Audit Committee and approved by board of directors. The profits distribution for 2019 are attached hereto as Attachments V.

Shareholder no. 286997 stated in essence: Inquiry on industry competition, asset depreciation and gross margin. Expect to enhance shareholders' equity.

The foregoing statements raised by the shareholder were addressed in detail by Chairman.

Voting Results: Shares present at the time of voting: 650,539,033

Voting Results*	% of the total represented share present
Votes for: 578,231,642 votes (487,894,205 votes)	88.88%
Votes against: 544,261 votes (544,261 votes)	N.A.
Votes invalid or abstained: 71,763,130 votes (71,676,795 votes)	N.A.

*including votes casted electronically (number in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

D. Proposed resolutions:

1. 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

commons 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 2018 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.

(2) 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.

Shareholder no. 286997 stated in essence: Inquiry on syndication loans or ECB issuance.
The foregoing statements raised by the shareholder were addressed in detail by Chairman.

Voting Results: Shares present at the time of voting: 650,539,033

Voting Results*	% of the total represented share present
Votes for: 557,759,673 votes (467,449,236 votes)	85.73%
Votes against: 12,889,231 votes (12,889,231 votes)	N.A.
Votes invalid or abstained: 79,890,129 votes (79,776,794 votes)	N.A.

*including votes casted electronically (number in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

2. To elect one new Director

Explanatory Notes: (1) There will be one Director elected at the Meeting. CATCHER's director was discharged for transferring more than half of shares being held at the time he was elected during his term in office. (2) The term of the new director is from June 30, 2020 to June 11, 2022. The list of candidates has been approved by the board of directors of the company on May 18, 2020. Shareholders should vote based on the list of director candidates. Please refer to Attachment VII for details. Please refer to Appendix III for "The Rules for Election of Directors".

Voting Results:

Elected Directors		
Shareholder number or ID	Name	Votes
281516	Yung Yu Investment Company Representative: Shui-Sung Hung	485,003,019

E. Other Business and Special Motion
None

F. Meeting Adjourned
(Meeting was adjourned at 10:40)
(The minutes of 2020 annual 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

2019 Business Report

Dear Shareholders,

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

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

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

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

Looking forward to 2020, COVID-19 affected our business strategy and left higher uncertainty for 2H20. Catcher will take a stable approach. In addition to existing products, we will more aggressively introduce with new products and new customers. We will leverage our superior industry position and diversification as the short-mid-long term growth drivers.

Industry Development and Outlook

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

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

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

Financial performance

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

Operation Results (Group)

Unit: in thousand NTD

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

Profitability (Group)

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

Research and Development

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

The current directions in research and development include special magnesium alloys, aluminum alloys, stainless steel, carbon (glass) fiber, plastic casing, glass, powder and other metal applied on products' casing and structural design. Catcher offers customers with one-stop shopping solutions based on the complete and strong technology matrix. In addition, the company also adopts laser engraving of components, along with seamless welding, metal /plastic injection mold techniques, etching and multi-color surface treatment techniques, and high precision extrusion techniques for large metal casing in smartphones, notebooks and tablets to achieve the high quality. Besides, the company also invests a lot of

effort in extending into other niche products.

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

Business strategies

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

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

Important sales policies

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

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

Effects of external competition, legislative environment, and macro environment

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

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

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

Business outlook and targets

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

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

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

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

Chairman Shui-Shu Hung

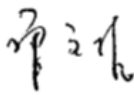


Attachment II:

Audit Committee’s Review Report

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

Catcher Technology Co., Ltd.

Audit Committee convener 

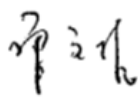
March 10, 2020

Audit Committee’s Review Report

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

Catcher Technology Co., Ltd.

Audit Committee convener



March 18, 2020

Attachment III:
Distribution of Compensation for Employees and Directors

The Distribution for compensation to Directors and Employees

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

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

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

Attachment IV:**Catcher Technology CO., LTD**
The execution of share buyback plan

2020/05/15

Number of times	First
Share buyback plan	
Date of the board of directors resolution	109/03/17
Purpose of the share repurchase	To maintain the Company's shareholders' equity
Scheduled period for the repurchase	109/03/18~109/05/17
Repurchase price range	NT\$132.00~NT\$354.20
Number of shares to be repurchased	25,000,000 shares
Ratio of the shares to be repurchased to total issued shares of the Company	3.25%
Statutory ceiling on total monetary amount of the repurchase	NT\$6,000,000,000

The execution of share buyback plan	
Date of expiry of the repurchase period or completion of the repurchase	109/03/19~109/05/15
Number of shares repurchased	8,773,000 shares
Ratio of cumulative number of own shares held during the repurchase period to the total number of the Company's issued shares	1.14%
Total monetary amount of shares repurchased	NT\$1,796,022,500
Average repurchase price per share	NT\$204.72
Reason for non-completion of the share repurchase at expiry of the repurchase period	To achieve the objective of securing shareholders interests, share repurchase will be executed in separate batches depending on market condition. Therefore, the announced shares buyback plan has not been fully executed.

Attachment V:

CATCHER Technology
Profits Distribution for 2019

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

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

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

INDEPENDENT AUDITORS' REPORT

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

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2019. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

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

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

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

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

Other Matter

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

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

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

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

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

Notice to Readers

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

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

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

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

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

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

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

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

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

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

(Continued)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

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

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

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

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

(Concluded)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

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

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

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 19,983,261	\$ 41,319,136
Adjustments for:		
Depreciation expenses	12,053,048	12,208,183
Amortization expenses	68,396	34,716
Loss on financial instruments at fair value through profit or loss	17,484	29,039
Amortization of prepayments for leases	-	45,297
Interest expenses	959,764	470,027
Interest income	(4,152,640)	(2,883,113)
Dividend income	(26,040)	-
Share of (profit) loss of associates	9,730	(18,546)
Gain on disposals of property, plant and equipment	(22,509)	(2,704)
Gain on disposals of investments	-	(127,279)
Write-down of inventories	196,722	-
Unrealized (gain) loss on foreign currency exchange	548,698	(538,911)
Changes in operating assets and liabilities		
Financial instruments at fair value through profit or loss	-	45,110
Notes receivable	33	(33)
Trade receivables	1,028,491	6,854,960
Other receivables	(63,445)	26,148
Inventories	10,430,264	(16,251,281)
Other current assets	1,297,725	42,352
Contract liabilities	(9,562)	(210,258)
Notes payable	(5,447)	(144,115)
Trade payables	(2,542,352)	2,558,431
Other payables	(834,482)	719,375
Other current liabilities	(836,224)	(654,070)
Net defined benefit liabilities	6	1
Other non-current liabilities	(1,777,304)	(1,534,240)
Cash generated from operations	36,323,617	41,988,225
Dividends received	26,040	24,741
Income tax paid	(10,547,545)	(15,083,821)
Net cash generated from operating activities	<u>25,802,112</u>	<u>26,929,145</u>
CASH FLOWS FROM INVESTING ACTIVITIES		

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

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

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

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

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

(Concluded)

Attachment VII:
Director Candidates List

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