

Stock Code: 8454

momo.com Inc.

Agenda for 2019 Shareholders' Meeting (Translation)

Date: May 16, 2019 (Thursday)

Address: Lily Conference, No. 327, Section 1, Tiding Blvd, Neihu
District, Taipei City

Note to Readers:

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.

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momo.com Inc.

Meeting Procedures

1. Announcement of Commencement of the Meeting
2. Chairman's Remarks
3. Matters to Report
4. Matters to Ratify and Discuss
5. Matters to Elect
6. Other Proposals
7. Extemporaneous Motions
8. Meeting Adjourned

momo.com Inc.

Meeting Agenda

Date: May 16, 2019(Thursday) at 9:00 a.m.

Venue: Lily Conference, No. 327, Section 1, Tiding Blvd, Neihu District, Taipei City

1. Reporting the number of shares represented by the attending shareholders and announcing the commencement of the meeting
2. Chairman's remarks
3. Matters to report:
 - (1) The 2018 Business Report
 - (2) The Audit Committee's Report
 - (3) Distribution of remuneration to employees and directors for 2018
4. Matters to Ratify and Discuss:
 - (1) 2018 Business Report and Financial Statement
 - (2) Distribution of Earnings for 2018
 - (3) Proposal for distributions from Additional Paid-In Capital cash distribution
 - (4) Amendments for the Company's Articles of Incorporation are submitted for review
 - (5) Amendments for the Company's Regulations Governing the Acquisition and Disposal of Assets are submitted for review
 - (6) Amendments for the Company's Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees are submitted for review
5. Matters to Elect:
 - (1) To elect a new Independent Director of the Sixth term
6. Other Proposals:
 - (1) To release the Board of Directors from the non-competition restrictions
7. Extemporaneous Motions
8. Meeting adjourned

Matters to Report

1. 2018 Business Report. Please refer to Attachment I (see pages 9 – 11 of the present agenda).
2. Audit Committee's Report. Please refer to Attachment II (see pages 12 – 13 of the present agenda).
3. Distribution of remuneration to employees and directors for 2018.

Explanation:

The remuneration to employees and directors was determined on January 29, 2019 by the board of directors. A total remuneration of NT \$1,480,360 shall be distributed to employees and a total remuneration of NT \$1,480,360 shall be distributed to directors. All remunerations shall be distributed in cash.

Matters to Ratify and Discuss

Agenda 1

Proposed by: Board of Directors

Agenda: 2018 Business Report and Financial Statement

Explanation:

1. 2018 Financial Statement was audited by Li-Wen Kuo and Wen-Ching Lin of Deloitte.
2. Please refer to Attachment III (see pages 9 – 11 & 14 – 33 of the present agenda) for the Business Report, Financial Statement, and consolidated financial statement.
3. Ratification is respectfully requested.

Resolution:

Agenda 2

Proposed by: Board of Directors

Agenda: Distribution of Earnings for 2018

Explanation:

1. The company's net profit for 2018 totaled NT \$1,449,639,741 and shall be distributed in accordance with the earnings distribution table. Please refer to Attachment IV (see page 34 of the present agenda).
2. The company proposes to distribute a total of NT \$969,428,914 from the distributable earnings. Cash dividend of NT \$6.9216 per share shall be distributed to the shareholders. After receiving approval by the annual shareholders' meeting, the Board of Directors is authorized to set the distribution record date, issuance date and related matters separately, and calculate the amount of dividends to be distributed according to the actual number of outstanding shares. Cash dividends shall be rounded down to a dollar. When insufficient to add up for a dollar, total fractional amount of distribution will be recognized in other income of the Company.
3. Thereafter, if the number of outstanding shares is affected by the requirement of competent authorities, or by subjective and objective factors causing necessary adjustments to shareholders' percentage of distribution, the shareholders' meeting shall authorize the Chairman of the board to make such adjustment.
4. Ratification is respectfully requested.

Resolution:

Agenda 3

Proposed by: Board of Directors

Agenda: Proposal for distributions from Additional Paid-In Capital cash distribution

Explanation:

1. Pursuant to Article 241 of the Company Act, where a company incurs no loss, it may distribute its capital surplus, in whole or in part, in cash or by issuing new shares to shareholders in proportion to the number of shares being held.
2. The company proposes to distribute NT \$291,097,586 of capital surplus generated from the issuance of share premium to its shareholders as cash at NT \$2.0784 per share.
3. The capital surplus and earnings are expected to be distributed in cash at NT \$9 per share (i.e., the capital surplus shall be distributed in cash at NT \$2.0784 per share and earnings shall be distributed at NT \$6.9216 per share). Distribution shall be based on the number of shares held by the shareholders as listed in the shareholders list on the date of record. The amount distributed shall be rounded down to a dollar. When insufficient to add up for a dollar, total fractional amount of distribution will be recognized in other income of the Company.
4. After receiving approval by the annual shareholders' meeting, the Board of Directors is authorized to set the distribution record date, issuance date and related matters separately, and cash distribution shall be calculate based on the actual number of outstanding shares.
5. Thereafter, if the number of outstanding shares is affected by the requirement of competent authorities, or by subjective and objective factors causing necessary adjustments to shareholders' percentage of distribution, the shareholders' meeting shall authorize the Chairman of the board to make such adjustment.
6. Approval is respectfully requested.

Resolution:

Agenda 4

Proposed by: Board of Directors

Agenda: Amendments for the Company's Articles of Incorporation are submitted for review.

1. To be in line with amendments of the Company Act and actual operational needs, the Company's Articles of Incorporation is amended. Please refer to Attachment V (see page 35 – 36 of the present agenda) for the article amendment comparison chart.
2. Approval is respectfully requested.

Resolution:

Agenda 5

Proposed by: Board of Directors

Agenda: Amendments for the Company's Regulations Governing the Acquisition and Disposal of Assets are submitted for review.

Explanation:

1. In compliance with the Financial Supervisory Commission's issuing of interpretation No.1070341072 related to the "Regulations Governing the Acquisition and Disposal of Assets" on November 26, 2018 and actual operational needs, the Company's Regulations Governing the Acquisition and Disposal of Assets is amended. Please refer to Attachment VI (see page 37 – 72 of the present agenda) for the article amendment comparison chart.
2. Approval is respectfully requested.

Resolution:

Agenda 6

Proposed by: Board of Directors

Agenda: Amendments for the Company's Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees are submitted for review.

Explanation:

1. In compliance with the Financial Supervisory Commission's issuing of interpretation No.1080304826 related to the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees" on March 7, 2019, the Company's Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees is amended. Please refer to Attachment VII (see page 73 – 85 of the present agenda) for the article amendment comparison chart.
2. Approval is respectfully requested.

Resolution:

Matters to Elect

Agenda 1

Proposed by: Board of Directors

Agenda: To elect a new Independent Director of the Sixth term.

Explanation:

1. To clarify in advance, the Sixth term Board of Directors of the Company has 9 Directors (including 3 Independent Directors) elected by the 2017 annual shareholders' meeting for a term of 3 years, from May 17, 2017 to May 16, 2020.
2. As a result of the resignation of Ms. Shi-Kuan Chen an Independent Director of the Company, on January 10, 2019, in accordance with Article 14-2 of the Securities and Exchange Act and Article 19 of the company's Articles of Incorporation, it is proposed to submit to the annual shareholders' meeting for the election of one Independent Director of the Company who will hold office from May 16, 2019 to May 16, 2020.
3. None of shareholders holding 1% or more of the Company's shares submitted to the company in writing a roster of independent director candidates during the nomination period, which commenced from March 8, 2019 to March 18, 2019. The nomination operation of the Board of Directors of the Company was nominated, reviewed and approved by the 12th meeting of the Sixth term Board of Directors on April 3, 2019. The roster of Independent Director Candidates is as follows and hereby submitted to the annual shareholders' meeting to conduct election. Please

refer to Attachment VIII (see pages 86 – 88 of the present agenda) for the Company's Procedures for Elections of Directors and Supervisors.

Independent Director Candidates				
Name	Education	Experience	Current Major Position	Current Shareholding (share)
Chieh Wang	Department of Finance and Taxation, National Chengchi University	-Vice President of The Financial Investment Department and CIO, Fubon Financial Holding Co., Ltd. -Chairman, Holiday Entertainment Co., Ltd. -Vice Chairman and CEO, Cashbox Partyworld Co., Ltd.	-Chairman, Conti Invest Co., Ltd -Chairman, PAI PAI Enterprise Co., Ltd. -Chairman, Enjoy Records Co., Ltd. -Chairman, Guang International Cultural Creative Co., Ltd. -Chairman, Digiflow Company Limited -Independent director, China United Insurance Group Company Limited	0

4. Please elect a new independent director accordingly.

Resolution:

Other Proposals

Agenda 1

Proposed by: Board of Directors

Agenda: To release the Board of Directors from the non-competition restrictions

Explanation:

1. According to Article 209 of the Company Act, a director who acts for himself or on behalf of another person that is within the scope of the Company's business, shall clarify the essential content of his act to the meeting of shareholders and secure annual shareholders' meeting's approval.
2. The company is proposing to approve the removal of the non-competition restrictions for all act of investing or managing other companies that has the same or similar scope of business by the Company's directors. Please refer to Attachment IX (see page 89 – 90 of the present agenda).
3. Approval is respectfully requested.

Resolution:

Extemporaneous Motions

Meeting Adjourned

Attachment I

momo.com Inc. 2018 Business Report

momo.com Inc. (8454-TW) is a leading e-commerce operator in Taiwan. Its major business segments are momoshop, momomall, TV and catalogue. momo is devoted to providing high quality products with affordable prices and quality services to customers, furthermore to improve people's standard of living. momo is also dedicated to its four major corporate values "integrity, sincerity, professionalism, and innovation". Based on its solid business fundamental, momo is continuing to fulfill its commitment to make contribution to society and create value to both consumers and suppliers.

momo has been actively implementing its corporate mission of "everything in life, everything in momo". Under the hard work of all the employees, the combined operating income for 2018 was 42.02 billion NTD, with an annual increase of 26.4%; profit after tax was 1.45 billion NTD, of which the online earning accounted for 84.2%, with the annual growth rate of 33.2%, again showing good results in financial performance. Retail is changing rapidly and momo continues to implement innovative strategies, aiming to expanding its market share in the industry.

The key growth drivers in 2018 are as follows:

1) Brand cultivation:

In the era of New Retail, the boundaries between channels are becoming blurred, with brands accelerating their exposure in virtual channels, which in turn is shifting customer purchase behaviour to e-shopping. momo is actively deepening its collaboration with brands so as to enhance its product offerings and stock keeping units, as well as to obtain niche SKU and special promotion. By leveraging brand partners' resources, momo creates exclusive 'brand day' for its partners. 'Brand day' not only helps to sharpen brand image but also leads to higher sales volume, creating a win-win situation for both sides. In the meantime, through CRM system and big data technology, momo introduces online-to-offline promotion scheme to provide a one-stop-shop platform. On the other hand, brand partners can further understand consumer behaviour and preference through the data so that they can provide better products and services that meet customers' needs, thus creating value and a situation where everyone wins.

2) Expanding SKU/lifestyle service offering:

momo continues to add more categories to its offerings, striving to create a lifestyle e-commerce platform. Its online bookstore moBook went online in November 2017. In 2018, momo launched more services, including used car, parking fee and online insurance (filed in 2Q18). Also, it is branching out into type II telecommunications, third-party payment, and logistic warehousing. momo's goals are to satisfy the complete range of lifestyle needs and to provide a convenient experience to consumers; thus it is actively reaching out to different categories, so that the coverage of services offered on its platform can be more comprehensive, and can provide a roadmap for expansion in the virtual channels.

3) Accelerating logistics network:

The coming of New Retail is accompanied by the rise of new type of delivery logistics. The official operation of momo's automated warehouse in northern Taiwan in 2017 symbolized a new milestone of its logistics development. To facilitate expansion of its warehouse capacity and optimize delivery efficiency, so that fast delivery services can cover the entire island, momo has been accelerating its logistics investment, such as short chains logistics (such as commencement of satellite warehouses in Neihu, Sanchong, Taichung, Tainan in 1Q18; development of company-operated vehicle fleet). Meanwhile, momo plans to build another automated warehouse in southern Taiwan, in attempt to build a nationwide delivery network, for enhancing fulfilment experience that drives customer loyalty.

4) Payment tools:

Digital payments rise sharply in Taiwan, with various kinds of initiatives to promote a push toward cashless experience. To catch the upcoming trend, momo has begun collaborating with Apple Pay, LINE Pay, Google Pay and other payment services since 2Q17. In 2018, momo added more partners, such as JKOPAY and HAPPY GO. By leveraging resources from its digital payment partners, momo is able to provide diversified payment options to consumers, as well as to create more business opportunities in retail industry.

5) Continuous penetration into international market:

In 2018, momo's overseas investments include TVD SHOPPING CO., LTD (a joint venture between momo and TVD started its operation in June 2014), Global Home Shopping (a nationwide home shopping company in China which momo acquired 20% stake in June 2015), and Citruss TV based in

Dubai with footprints in China, Southeast Asia, Middle East (Global Mall has 51% stake)- which are all under stable operation and development. With the gradual stabilization of the political climate in the Southeast Asia, momo keeps investigating, exploring and evaluating business opportunities in the region.

Looking forward to 2019, momo will continue to strive to achieve its corporate mission of “everything in life, everything in momo”. momo will maintain its market-leading position and continuously deploy its logistics channel, cultivating its brands, expanding categories/lifestyle service offering required by consumers and optimizing its sales platform. Mgmt is believe that momo can further raise its market share in the retail market and creates long-term value to its shareholders.

Chairman:

Manager:

Accounting supervisor:

Attachment II

momo.com Inc.

Audit Committee's Report

January 29, 2019

The Board of Directors of momo.com Inc. has submitted the Company's 2018 business report and financial statements to the Audit Committee. The CPA firm, Deloitte & Touche, was retained by the Board to audit momo's financial statements and has issued an audit report relating to the financial statements. The business report and financial statements have been reviewed and determined to be correct and accurate by the Audit Committee of momo. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report to the 2018 Annual General Meeting of shareholders for ratifications.

Sincerely,

The 2019 General Shareholders Meeting of momo.com Inc.

momo.com Inc.

Audit committee convener: Hong-So Chen

momo.com Inc.

Audit Committee's Report

April 3, 2019

The Board of Directors of momo.com Inc. has submitted the Company's proposal for distribution of the 2018 earnings to the Audit Committee. The proposal has been reviewed and determined to be correct and accurate by the Audit Committee of momo. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report to the 2018 Annual General Meeting of shareholders for ratifications

Sincerely,

The 2019 General Shareholders Meeting of momo.com Inc.

momo.com Inc.

Audit committee convener: Hong-So Chen

Attachment III

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
momo.com Inc.

Opinion

We have audited the accompanying financial statements of momo.com Inc. (“momo”), which comprise the balance sheets as of December 31, 2018 and 2017, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of momo as of December 31, 2018 and 2017, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit 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 (ROC). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of momo in accordance with The Norm of Professional Ethics for Certified Public Accountant of the ROC, 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 financial statements for the year ended December 31, 2018. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's financial statements for the year ended December 31, 2018 are stated as follows:

Risk of Revenue Recognition

momo's primary source of revenue is generated from virtual channels, including TV shopping channels, E-commerce portals and catalogues. Due to the nature of momo's core sales, momo offers a wide range of products and services to different customers; the trading quantity is rather high while each transaction is individually low in value and is highly automated through the website and related system. As a result of momo's business model being highly relying on IT infrastructure and the fact that momo process, store and transmit large amounts of data through digital and web-based environment, the risk derived from

revenue recognition depends on whether the sales amount can be transferred in the IT system appropriately thus ensuring correct timing of revenue recognition.

By conducting compliance tests, we obtained an understanding of the revenue recognition process and of the design and execution for relevant controls. The major audit procedures are as follows:

1. Verify the details of invoices in the system to check if the sales amount of each invoice is consistent with its shipping notice and sales order.
2. Confirm the completeness and consistency of transmission through IT system by testing the information transferred from front-end system to general ledger system, and further perform tests on whether the Daily Sales Report in the system is consistent with journal entries of revenue each day.

Impairment of Property, Plant and Equipment Estimates

Driven by continued growth in both revenue and operation, momo's capital expenditures have increased as well. The carrying value of property, plant and equipment was \$4,465,793 thousand, accounted for 37 % of the assets as of December 31, 2018. At the end of each reporting period, management will assess whether there is any indication that the property, plant and equipment may be impaired in accordance with IAS 36 - Impairment of Assets; if there is an indication that an asset may be impaired, then the asset's recoverable amount should be calculated. momo evaluates the recoverable amount of the aforementioned asset of its cash-generating unit, since the evaluation requires a number of assumptions and estimates, which will directly affect the recognition of impairment losses; the impairment assessment, in our professional judgement, is one of the key audit matters for the Company's financial statements for the year ended December 31, 2018. By conducting compliance tests, we obtained an understanding of the estimation for assets impairment and of the design and execution for relevant controls. Additionally, we performed the audit procedures as follows:

1. Obtain momo's valuation report of impairment indicators regarding each cash generating unit.
2. Evaluate the appropriateness of the assumptions and sensitivity analyses, including the classification of cash-generating units, forecasts of cash flows, and discount rates, used by the management to assess asset impairment.

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

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

In preparing the financial statements, management is responsible for assessing momo'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 momo 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 momo's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 ROC 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 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 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 momo'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 momo'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 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 momo to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 momo to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of momo 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 financial statements for the year ended December 31, 2018 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 Li-Wen Kuo and Wen-Chin Lin.

Deloitte & Touche
Taipei, Taiwan
Republic of China

January 29, 2019

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the ROC. 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 financial statements shall prevail.

momo.com Inc.
BALANCE SHEETS
DECEMBER 31, 2018 AND 2017
(In Thousands of New Taiwan Dollars, Except Par Value)

ASSETS	2018		2017	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 30)	\$ 2,548,377	21	\$ 2,370,112	21
Financial assets at fair value through profit or loss - current (Notes 7 and 30)	81,474	1	-	-
Financial assets at fair value through other comprehensive income - current (Note 8)	10,125	-	-	-
Available-for-sale financial assets - current (Notes 9 and 30)	-	-	874,075	8
Accounts receivable (Note 11)	52,638	-	21,527	-
Accounts receivable from related parties (Note 30)	21,632	-	2,514	-
Other receivables, net (Note 11)	901,559	8	695,379	6
Other receivables from related parties (Note 30)	172,644	1	247,643	3
Inventories (Note 12)	1,624,868	14	1,035,959	9
Prepayments	147,026	1	34,606	-
Other financial assets - current (Notes 13, 30 and 31)	71,128	1	41,076	-
Other current assets (Note 16)	9,254	-	8,997	-
Rights to recover products - current (Note 16)	104,767	1	-	-
Total current assets	5,745,492	48	5,331,888	47
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Note 8)	42,580	-	-	-
Financial assets at cost - non-current (Note 10)	-	-	53,820	-
Investments accounted for using equity method (Notes 5 and 14)	1,493,130	13	1,347,131	12
Property, plant and equipment (Notes 5, 15 and 30)	4,465,793	37	4,548,616	40
Other intangible assets	97,151	1	57,214	1
Deferred tax asset (Note 24)	46,533	-	19,284	-
Refundable deposits (Note 30)	67,885	1	53,515	-
Other financial assets - non-current (Notes 13, 30 and 31)	12,177	-	27,753	-
Total non-current assets	6,225,249	52	6,107,333	53
TOTAL	<u>\$ 11,970,741</u>	<u>100</u>	<u>\$ 11,439,221</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liability - current (Note 18)	\$ 114,365	1	\$ -	-
Accounts payable (Note 17)	4,464,620	37	3,676,589	32
Accounts payable to related parties (Note 30)	95,199	1	6,516	-
Other payables (Note 18)	471,330	4	1,086,915	10
Other payables to related parties (Note 30)	54,533	-	142,735	1
Current tax liabilities	1,026	-	135,429	1
Advanced receipts (Note 18)	-	-	63,046	1
Refundable liability - current (Note 18)	123,675	1	-	-
Other current liabilities (Note 18)	218,486	2	169,107	1
Total current liabilities	5,543,234	46	5,280,337	46
NON-CURRENT LIABILITIES				
Provisions - non-current	13,773	-	13,773	-
Deferred tax liabilities (Note 24)	5,649	-	4,976	-
Net defined benefit liabilities (Note 19)	2,473	-	3,607	-
Guarantee deposits (Note 20)	255,109	2	239,618	3
Investments accounted for using equity method in debt balance (Note 14)	-	-	20,163	-
Total non-current liabilities	277,004	2	282,137	3
Total liabilities	5,820,238	48	5,562,474	49
EQUITY (Note 21)				
Common stock	1,400,585	12	1,420,585	12
Capital surplus	2,976,991	25	3,057,738	26
Retained earnings				
Legal reserve	706,713	6	579,727	5
Special reserve	266,327	2	212,342	2
Unappropriated retained earnings	967,781	8	1,269,857	11
Total retained earnings	1,940,821	16	2,061,926	18
Other equity	(167,894)	(1)	(266,327)	(2)
Treasury shares	-	-	(397,175)	(3)
Total equity	6,150,503	52	5,876,747	51
TOTAL	<u>\$ 11,970,741</u>	<u>100</u>	<u>\$ 11,439,221</u>	<u>100</u>

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

momo.com Inc.

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)**

	2018		2017	
	Amount	%	Amount	%
OPERATING REVENUES (Notes 22 and 30)	\$ 41,938,107	100	\$ 33,173,536	100
OPERATING COSTS (Notes 12 ,19, 23 and 30)	<u>37,721,041</u>	<u>90</u>	<u>29,562,944</u>	<u>89</u>
GROSS PROFIT FORM OPERATIONS	<u>4,217,066</u>	<u>10</u>	<u>3,610,592</u>	<u>11</u>
OPERATING EXPENSES				
Marketing expenses	1,354,577	3	1,029,679	3
Administrative expenses	1,449,755	4	1,190,513	3
Expected credit losses	<u>4,416</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total operating expenses	<u>2,808,748</u>	<u>7</u>	<u>2,220,192</u>	<u>6</u>
NET OTHER INCOME AND EXPENSES	<u>14,775</u>	<u>-</u>	<u>4,163</u>	<u>-</u>
OPERATING INCOME	<u>1,423,093</u>	<u>3</u>	<u>1,394,563</u>	<u>5</u>
NON-OPERATING INCOME AND EXPENSES				
other income (Note 23)	32,767	-	55,537	-
other gains and losses, net (Notes 23 and 30)	(26,678)	-	(6,800)	-
Finance costs	-	-	(1)	-
Share of profit of subsidiaries and associates accounted for using equity method (Notes 5 and 14)	<u>48,736</u>	<u>-</u>	<u>78,421</u>	<u>-</u>
Total non-operating income and expenses	<u>54,825</u>	<u>-</u>	<u>127,157</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	1,477,918	3	1,521,720	5
INCOME TAX EXPENSE (Note 24)	<u>28,278</u>	<u>-</u>	<u>251,638</u>	<u>1</u>
NET INCOME	<u>1,449,640</u>	<u>3</u>	<u>1,270,082</u>	<u>4</u>
OTHER COMPREHENSIVE INCOME (Notes 14, 19, 21 and 24)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	(238)	-	344	-
Unrealized loss on financial assets at fair value through other comprehensive income - equity instruments	<u>(29,384)</u>	<u>-</u>	<u>-</u>	<u>-</u>

(Continued)

momo.com Inc.

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)**

	2018		2017	
	Amount	%	Amount	%
Share of remeasurement of defined benefit plans of associates accounted for using equity method	\$ (583)	-	\$ (510)	-
Share of unrealized loss on financial assets at fair value through other comprehensive income - equity instruments of associates accounted for using equity method	(6,634)	-	-	-
Income tax related to items that will not be reclassified subsequently to profit or loss	300	-	(59)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation	3,083	-	1,345	-
Unrealized loss on available-for-sale financial assets	-	-	(37,184)	-
Share of other comprehensive loss of subsidiaries and associates accounted for using equity method	<u>(16,646)</u>	<u>-</u>	<u>(18,146)</u>	<u>-</u>
other comprehensive losses, net of tax	<u>(50,102)</u>	<u>-</u>	<u>(54,210)</u>	<u>-</u>
COMPREHENSIVE INCOME	<u>\$ 1,399,538</u>	<u>3</u>	<u>\$ 1,215,872</u>	<u>4</u>
EARNINGS PER SHARE (Note 25)				
Basic	<u>\$ 10.35</u>		<u>\$ 9.07</u>	
Diluted	<u>\$ 10.35</u>		<u>\$ 9.07</u>	

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

(Concluded)

momo.com Inc.

**STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017
(In Thousands of New Taiwan Dollars)**

	Common Stock	Capital Surplus	Retained Earnings			Exchange Differences on Translation	Other Equity			Treasury Shares	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings		Value Through Other Comprehensive Income	Unrealized Gain (Loss) on Available-for-sale Financial Assets	Unrealized Gain (Loss) on Financial Assets at Fair Value		
BALANCE, JANUARY 1, 2017	\$ 1,420,585	\$ 3,175,583	\$ 461,548	\$ 151,358	\$ 1,181,786	\$ (37,926)	\$ -	\$ (174,416)	\$ (397,175)	\$ 5,781,343	
Distribution of 2016 earnings	-	-	118,179	-	(118,179)	-	-	-	-	-	
Legal reserve	-	-	-	60,984	(60,984)	-	-	-	-	-	
Special reserve	-	-	-	-	(1,002,623)	-	-	-	-	(1,002,623)	
Cash dividends	-	-	-	-	-	-	-	-	-	-	
Issue of cash dividends from capital surplus	-	(117,845)	-	-	-	-	-	-	-	(117,845)	
Profit for the year ended December 31, 2017	-	-	-	-	1,270,082	-	-	-	-	1,270,082	
Other comprehensive loss for the year ended December 31, 2017	-	-	-	-	(225)	(10,997)	-	(42,988)	-	(54,210)	
Total comprehensive income (loss) for the year ended December 31, 2017	-	-	-	-	1,269,857	(10,997)	-	(42,988)	-	1,215,872	
BALANCE, DECEMBER 31, 2017	1,420,585	3,057,738	579,727	212,342	1,269,857	(48,923)	-	(217,404)	(397,175)	5,876,747	
Effect of retrospective application and retrospective restatement	-	-	-	-	(148,014)	-	(69,390)	217,404	-	-	
BALANCE AT JANUARY 1, 2018 AS RESTATED	1,420,585	3,057,738	579,727	212,342	1,121,843	(48,923)	(69,390)	-	(397,175)	5,876,747	
Distribution of 2017 earnings	-	-	126,986	-	(126,986)	-	-	-	-	-	
Legal reserve	-	-	-	53,985	(53,985)	-	-	-	-	-	
Special reserve	-	-	-	-	(1,088,885)	-	-	-	-	(1,088,885)	
Cash dividends	-	-	-	-	-	-	-	-	-	-	
Changes in capital surplus from investments in associates accounted for using the equity method	-	13,292	-	-	4,380	-	-	-	-	17,672	
Issue of cash dividends from capital surplus	-	(31,583)	-	-	-	-	-	-	-	(31,583)	
Profit for the year ended December 31, 2018	-	-	-	-	1,449,640	-	-	-	-	1,449,640	
Other comprehensive loss for the year ended December 31, 2018	-	-	-	-	(521)	(13,563)	(36,018)	-	-	(50,102)	
Total comprehensive income (loss) for the year ended December 31, 2018	-	-	-	-	1,449,119	(13,563)	(36,018)	-	-	1,399,538	
Retirement of treasury stock	(20,000)	(39,470)	-	-	(337,705)	-	-	-	397,175	-	
Changes in ownership interests in subsidiaries	-	(22,986)	-	-	-	-	-	-	-	(22,986)	
BALANCE, DECEMBER 31, 2018	\$ 1,400,585	\$ 2,976,991	\$ 706,713	\$ 266,327	\$ 967,781	\$ (62,486)	\$ (105,408)	\$ -	\$ -	\$ 6,150,503	

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

momo.com Inc.**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017
(In Thousands of New Taiwan Dollars)**

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 1,477,918	\$ 1,521,720
Adjustments:		
Depreciation expenses	262,315	96,628
Amortization expenses	51,836	18,657
Expected credit losses	4,416	-
Provision for bad debt expense	-	1,394
Loss on financial assets at fair value through profit or loss, net	28,067	-
Finance costs	-	1
Interest income	(26,962)	(52,276)
Share of profit of subsidiaries and associates accounted for using equity method	(48,736)	(78,421)
Gain on disposal of investments	-	(692)
Impairment loss on financial assets	-	6,180
Loss (gain) on foreign currency exchange, net	71	(572)
Others	(590)	(590)
Changes in operating asset at fair value through profit or loss		
Financial assets at fair valuse through profit or loss	736,265	-
Accounts receivable	(32,379)	18,787
Accounts receivable from related parties	(19,118)	1,003
Other receivables	(209,142)	(203,069)
Other receivables from related parties	43,891	(35,017)
Inventories	(588,909)	(724,299)
Prepayments	(112,420)	(12,285)
Other current assets	(257)	(2,457)
Rights to recover products	(8,990)	-
Contract liability	64,394	-
Accounts payable	815,963	869,369
Accounts payable to related parties	88,683	1,349
Other payables	(155,364)	155,434
Other payables to related parties	(88,202)	62,651
Refund liability	6,121	-
Advance receipts	-	3,340
Other current liabilities	36,304	(18,925)
Net defined benefit liabilities	(1,372)	(1,356)
Cash generated from operations	2,323,803	1,626,554
Interest received	640	504
Interest paid	-	(1)
Income tax paid	(188,957)	(233,124)
Net cash generated from operating activities	2,135,486	1,393,933

(Continued)

momo.com Inc.**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017
(In Thousands of New Taiwan Dollars)**

	2018	2017
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of available-for-sale financial assets	\$ -	\$ (220,000)
Proceeds from disposal of available-for-sale financial assets	-	320,692
Acquisition of investments accounted for using equity method	(180,421)	-
Repayment of capital reduction from associates	31,090	-
Acquisition of property, plant and equipment	(679,989)	(1,315,352)
Increase in refundable deposits	(16,655)	(4,143)
Decrease in refundable deposits	2,285	-
Acquisition of intangible assets	(57,652)	(34,678)
Increase in other financial assets	(45,055)	(30,055)
Decrease in other financial assets	30,579	871,971
Interest received	26,159	51,896
Dividend received	<u>37,415</u>	<u>29,699</u>
Net cash used in investing activities	<u>(852,244)</u>	<u>(329,970)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from guarantee deposits received	48,892	44,871
Refunds of guarantee deposits received	(33,401)	(42,411)
Cash dividends	<u>(1,120,468)</u>	<u>(1,120,468)</u>
Net cash used in financing activities	<u>(1,104,977)</u>	<u>(1,118,008)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	178,265	(54,045)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>2,370,112</u>	<u>2,424,157</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 2,548,377</u>	<u>\$ 2,370,112</u>

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
momo.com Inc.

Opinion

We have audited the accompanying consolidated financial statements of momo.com Inc. and its subsidiaries (the Group), which comprise the consolidated balance sheets as of December 31, 2018 and 2017, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2018 and 2017, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China (ROC).

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the ROC. 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 ROC, 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, 2018. 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.

Key audit matters for the Company's consolidated financial statements for the year ended December 31, 2018 are stated as follows:

Risk of Revenue Recognition

The Group's primary source of revenue is generated from virtual channels, including TV shopping channels, E-commerce portals and catalogues. Due to the nature of the Group's core sales, the Group offers a wide range of products and services to different customers; the trading quantity is rather high while each transaction is individually low in value and is highly automated through the website and related system. As a result of the Group's business model being highly relying on IT infrastructure and the fact that the Group process, store and transmit large amounts of data through digital and web-based environment, the risk derived from revenue recognition depends on whether the sales amount can be transferred in the IT system appropriately thus ensuring correct timing of revenue recognition.

By conducting compliance tests, we obtained an understanding of the revenue recognition process and of the design and execution for relevant controls. The major audit procedures are as follows:

1. Verify the details of invoices in the system to check if the sales amount of each invoice is consistent with its shipping notice and sales order.
2. Confirm the completeness and consistency of transmission through IT system by testing the information transferred from front-end system to general ledger system, and further perform tests on whether the Daily Sales Report in the system is consistent with journal entries of revenue each day.

Impairment of Property, Plant and Equipment Estimates

Driven by continued growth in both revenue and operation, the Group's capital expenditures have increased as well. The carrying value of property, plant and equipment was \$4,477,398 thousand, accounted for 37 % of the consolidated assets as of December 31, 2018. At the end of each reporting period, management will assess whether there is any indication that the property, plant and equipment may be impaired in accordance with IAS 36 - Impairment of Assets; if there is an indication that an asset may be impaired, then the asset's recoverable amount should be calculated. The Group evaluates the recoverable amount of the aforementioned asset of its cash-generating unit, since the evaluation requires a number of assumptions and estimates, which will directly affect the recognition of impairment losses; the impairment assessment, in our professional judgement, is one of the key audit matters for the Company's consolidated financial statements for the year ended December 31, 2018. By conducting compliance tests, we obtained an understanding of the estimation for assets impairment and of the design and execution for relevant controls. Additionally, we performed the audit procedures as follows:

1. Obtain the Group's valuation report of impairment indicators regarding each cash generating unit.
2. Evaluate the appropriateness of the assumptions and sensitivity analyses, including the classification of cash-generating units, forecasts of cash flows, and discount rates, used by the management to assess asset impairment.

Other Matter

We have also audited the parent company only financial statements of momo.com Inc. as of and for the years ended December 31, 2018 and 2017 on which we have issued an unmodified report.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by 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 ROC 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, 2018 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 Li-Wen Kuo and Wen-Chin Lin.

Deloitte & Touche
Taipei, Taiwan
Republic of China

January 29, 2019

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 ROC and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the ROC.

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 ROC. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

momo.com Inc. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2018 AND 2017
(In Thousands of New Taiwan Dollars)

ASSETS	2018		2017	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 32)	\$ 2,924,449	24	\$ 2,701,070	23
Financial assets at fair value through profit or loss - current (Notes 7 and 32)	81,474	1	-	-
Financial assets at fair value through other comprehensive income - current (Note 8)	10,125	-	-	-
Available-for-sale financial assets - current (Notes 9 and 32)	-	-	874,075	7
Accounts receivable, net (Note 11)	53,867	-	24,480	-
Accounts receivable from related parties (Note 32)	10,699	-	5,729	-
Other receivables, net (Note 11)	903,461	8	703,009	6
Other receivables from related parties (Note 32)	165,408	1	233,098	2
Inventories (Note 12)	1,627,218	13	1,036,560	9
Prepayments	161,642	1	34,022	-
Other financial assets - current (Notes 13, 32 and 33)	110,816	1	52,943	1
Other current assets (Note 17)	14,323	-	18,846	-
Rights to recover products - current (Note 17)	104,767	1	-	-
Total current assets	6,168,249	50	5,683,832	48
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Note 8)	42,580	-	-	-
Financial assets at cost - non-current (Note 10)	-	-	53,820	-
Investments accounted for using equity method (Notes 5 and 15)	1,272,124	11	1,300,576	11
Property, plant and equipment (Notes 5, 16 and 32)	4,477,398	37	4,565,326	39
Goodwill (Note 28)	26,664	-	-	-
Other intangible assets	101,733	1	63,356	1
Deferred tax asset (Note 26)	46,574	-	19,292	-
Refundable deposits (Note 32)	72,652	1	57,539	1
Other financial assets - non-current (Notes 13, 32 and 33)	18,578	-	34,153	-
Total non-current assets	6,058,303	50	6,094,062	52
TOTAL	\$ 12,226,552	100	\$ 11,777,894	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term loans (Notes 18 and 34)	\$ -	-	\$ 62,318	1
Contract liability - current (Note 20)	114,417	1	-	-
Notes and accounts payable (Note 19)	4,474,923	37	3,688,973	31
Accounts payable to related parties (Note 32)	94,603	1	6,516	-
Other payables (Note 20)	478,025	4	1,112,225	9
Other payables to related parties (Note 32)	56,161	-	142,504	1
Current tax liabilities	4,915	-	136,947	1
Advance receipts (Note 20)	-	-	63,050	1
Refundable liability - current (Note 20)	123,675	1	-	-
Other current liabilities (Note 20)	426,275	4	431,374	4
Total current liabilities	5,772,994	48	5,643,907	48
NON-CURRENT LIABILITIES				
Provisions - non-current	13,773	-	13,773	-
Deferred tax liabilities (Note 26)	5,649	-	4,976	-
Net defined benefit liabilities (Note 21)	2,473	-	3,607	-
Guarantee deposits (Note 22)	259,559	2	244,118	2
Total non-current liabilities	281,454	2	266,474	2
Total liabilities	6,054,448	50	5,910,381	50
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT (Note 23)				
Common stock	1,400,585	11	1,420,585	12
Capital surplus	2,976,991	24	3,057,738	26
Retained earnings				
Legal reserve	706,713	6	579,727	5
Special reserve	266,327	2	212,342	2
Unappropriated earnings	967,781	8	1,269,857	11
Total retained earnings	1,940,821	16	2,061,926	18
Other equity	(167,894)	(1)	(266,327)	(2)
Treasury shares	-	-	(397,175)	(4)
Total equity attributable to owners of the Parent	6,150,503	50	5,876,747	50
NON-CONTROLLING INTERESTS (Note 23)	21,601	-	(9,234)	-
Total equity	6,172,104	50	5,867,513	50
TOTAL	\$ 12,226,552	100	\$ 11,777,894	100

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

momo.com Inc. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2018		2017	
	Amount	%	Amount	%
OPERATING REVENUES (Notes 24 and 32)	\$ 42,017,012	100	\$ 33,238,547	100
OPERATING COSTS (Notes 12, 21, 25 and 32)	<u>37,756,772</u>	<u>90</u>	<u>29,591,202</u>	<u>89</u>
GROSS PROFIT FROM OPERATIONS	<u>4,260,240</u>	<u>10</u>	<u>3,647,345</u>	<u>11</u>
OPERATING EXPENSES (Notes 11, 21, 25 and 32)				
Marketing expenses	1,381,006	3	1,050,021	3
Administrative expenses	1,467,031	4	1,212,428	4
Expected credit losses	<u>4,501</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total operating expenses	<u>2,852,538</u>	<u>7</u>	<u>2,262,449</u>	<u>7</u>
NET OTHER INCOME AND EXPENSES	<u>14,716</u>	<u>-</u>	<u>4,167</u>	<u>-</u>
OPERATING INCOME	<u>1,422,418</u>	<u>3</u>	<u>1,389,063</u>	<u>4</u>
NON-OPERATING INCOME AND EXPENSES				
Other income (Note 25)	36,574	-	56,697	-
Other gains and losses, net (Notes 25 and 32)	(27,088)	-	(4,388)	-
Finance costs (Note 25)	(2,745)	-	(3,353)	-
Share of profit of associates accounted for using equity method (Notes 5 and 15)	<u>50,453</u>	<u>-</u>	<u>82,281</u>	<u>1</u>
Total non-operating income and expenses	<u>57,194</u>	<u>-</u>	<u>131,237</u>	<u>1</u>
PROFIT BEFORE INCOME TAX	1,479,612	3	1,520,300	5
INCOME TAX EXPENSE (Note 26)	<u>34,937</u>	<u>-</u>	<u>257,668</u>	<u>1</u>
PROFIT	<u>1,444,675</u>	<u>3</u>	<u>1,262,632</u>	<u>4</u>
OTHER COMPREHENSIVE INCOME (Notes 15, 21, 23 and 26)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	(238)	-	344	-
Unrealized loss on financial assets at fair value through other comprehensive income - equity instruments	<u>(29,384)</u>	<u>-</u>	<u>-</u>	<u>-</u>

(Continued)

momo.com Inc. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2018		2017	
	Amount	%	Amount	%
Share of remeasurement of defined benefit plans of associates accounted for using equity method	\$ (583)	-	\$ (510)	-
Share of unrealized loss on financial assets at fair value through other comprehensive income - equity instruments of associates accounted for using equity method	(6,634)	-	-	-
Income tax related to items that will not be reclassified subsequently to profit or loss	300	-	(59)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation	(12,676)	-	(9,635)	-
Unrealized loss on available-for-sale financial assets	-	-	(37,184)	-
Share of other comprehensive loss of associates accounted for using equity method	<u>(684)</u>	<u>-</u>	<u>(7,209)</u>	<u>-</u>
Other comprehensive losses, net of tax	<u>(49,899)</u>	<u>-</u>	<u>(54,253)</u>	<u>-</u>
COMPREHENSIVE INCOME	<u>\$ 1,394,776</u>	<u>3</u>	<u>\$ 1,208,379</u>	<u>4</u>
PROFIT ATTRIBUTABLE TO:				
Owners of the Parent	\$ 1,449,640	3	\$ 1,270,082	4
Non-controlling interests	<u>(4,965)</u>	<u>-</u>	<u>(7,450)</u>	<u>-</u>
	<u>\$ 1,444,675</u>	<u>3</u>	<u>\$ 1,262,632</u>	<u>4</u>
COMPREHENSIVE INCOME (LOSS)				
ATTRIBUTABLE TO:				
Owners of the Parent	\$ 1,399,538	3	\$ 1,215,872	4
Non-controlling interests	<u>(4,762)</u>	<u>-</u>	<u>(7,493)</u>	<u>-</u>
	<u>\$ 1,394,776</u>	<u>3</u>	<u>\$ 1,208,379</u>	<u>4</u>
EARNINGS PER SHARE (Note 27)				
Basic	<u>\$ 10.35</u>		<u>\$ 9.07</u>	
Diluted	<u>\$ 10.35</u>		<u>\$ 9.07</u>	

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

(Concluded)

momo.com Inc. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017
(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Owners of the Parent									
	Retained Earnings					Other Equity				
	Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Unrealized Gain (Loss) on Available-for-sale Financial Assets	Treasury Shares	Total
BALANCE AT JANUARY 1, 2017	\$ 1,420,585	\$ 3,175,583	\$ 461,548	\$ 151,358	\$ 1,181,786	\$ (37,926)	\$ -	\$ (174,416)	\$ (397,175)	\$ 5,781,343
Distribution of 2016 earnings	-	-	-	-	(118,179)	-	-	-	-	-
Legal reserve	-	-	118,179	-	(60,984)	-	-	-	-	-
Special reserve	-	-	-	60,984	(1,002,623)	-	-	-	-	(1,002,623)
Cash dividends	-	-	-	-	-	-	-	-	-	-
Issue of cash dividends from capital surplus	-	(117,845)	-	-	-	-	-	-	-	(117,845)
Profit for the year ended December 31, 2017	-	-	-	-	1,270,082	-	-	-	-	1,270,082
Other comprehensive loss for the year ended December 31, 2017	-	-	-	-	(225)	(10,997)	-	(42,988)	-	(54,210)
Total comprehensive income (loss) for the year ended December 31, 2017	-	-	-	-	1,269,857	(10,997)	-	(42,988)	-	1,215,872
BALANCE AT DECEMBER 31, 2017	1,420,585	3,057,738	579,727	212,342	1,269,857	(48,923)	-	(217,404)	(397,175)	5,876,747
Effect of retrospective application and retrospective restatement	-	-	-	-	(148,014)	-	(69,390)	217,404	-	-
BALANCE AT JANUARY 1, 2018 AS RESTATED	1,420,585	3,057,738	579,727	212,342	1,121,843	(48,923)	(69,390)	-	(397,175)	5,876,747
Distribution of 2017 earnings	-	-	-	-	(126,986)	-	-	-	-	-
Legal reserve	-	-	126,986	-	(53,985)	-	-	-	-	-
Special reserve	-	-	-	53,985	(1,088,885)	-	-	-	-	(1,088,885)
Cash dividends	-	-	-	-	-	-	-	-	-	-
Changes in capital surplus from investments in associates accounted for using the equity method	-	13,292	-	-	4,380	-	-	-	-	17,672
Issue of cash dividends from capital surplus	-	(31,583)	-	-	-	-	-	-	-	(31,583)
Profit for the year ended December 31, 2018	-	-	-	-	1,449,640	-	-	-	-	1,449,640
Other comprehensive income (loss) for the year ended December 31, 2018	-	-	-	-	(521)	(13,563)	(36,018)	-	-	(50,102)
Total comprehensive income (loss) for the year ended December 31, 2018	-	-	-	-	1,449,119	(13,563)	(36,018)	-	-	1,399,538
Retirement of treasury stock	(20,000)	(39,470)	-	-	(337,705)	-	-	-	397,175	-
Changes in ownership interests in subsidiaries	-	(22,986)	-	-	-	-	-	-	-	(22,986)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-
BALANCE AT DECEMBER 31, 2018	\$ 1,400,585	\$ 2,976,991	\$ 706,713	\$ 266,327	\$ 967,781	\$ (62,486)	\$ (105,408)	\$ -	\$ -	\$ 6,150,503
										\$ 6,172,104

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

momo.com Inc. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017 (In Thousands of New Taiwan Dollars)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 1,479,612	\$ 1,520,300
Adjustments:		
Depreciation expenses	267,168	106,100
Amortization expenses	53,414	20,289
Expected credit losses	4,501	-
Provision for bad debt expense	-	1,398
Loss on financial assets at fair value through profit or loss, net	28,067	-
Finance costs	2,745	3,353
Interest income	(29,114)	(54,021)
Share of profit of associates accounted for using equity method	(50,453)	(82,281)
Gain on disposal of property, plant and equipment, net	-	(2,568)
Gain on disposal of investments	-	(692)
Impairment loss on financial assets	-	6,180
Loss (gain) on foreign currency exchange, net	864	(511)
Others	(589)	(590)
Changes in operating assets and liabilities		
Financial assets at fair value through profit or loss	736,265	-
Accounts receivable	(30,361)	19,408
Accounts receivable from related parties	(4,970)	(781)
Other receivables	(203,130)	(209,658)
Other receivables from related parties	36,586	(36,676)
Inventories	(589,103)	(724,290)
Prepayments	(126,764)	(7,317)
Other current assets	4,614	(2,900)
Rights to recover products	(8,990)	-
Contract liability	64,442	-
Notes and accounts payable	813,150	870,655
Accounts payable to related parties	88,087	1,349
Other payables	(157,933)	149,109
Other payables to related parties	(86,343)	61,999
Refund liability	6,121	-
Advance receipts	-	3,342
Other current liabilities	(18,195)	8,796
Net defined benefit liabilities	(1,372)	(1,356)
Cash generated from operations	2,278,319	1,648,637
Interest received	640	504
Interest paid	-	(1)
Income tax paid	(193,331)	(241,147)
Net cash generated from operating activities	<u>2,085,628</u>	<u>1,407,993</u>
		(Continued)

momo.com Inc. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017 (In Thousands of New Taiwan Dollars)

	2018	2017
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of available-for-sale financial assets	\$ -	\$ (220,000)
Proceeds from disposal of available-for-sale financial assets	-	320,692
Acquisition of investments accounted for using equity method	(20,771)	-
Net cash flow from acquisition of subsidiaries	(2,925)	-
Repayment of capital reduction from associates	31,090	-
Acquisition of property, plant and equipment	(679,989)	(1,306,338)
Proceeds from disposal of property, plant and equipment	-	2,568
Increase in refundable deposits	(17,373)	(4,237)
Decrease in refundable deposits	2,496	278
Acquisition of intangible assets	(57,760)	(34,787)
Increase in other financial assets	(74,034)	(34,283)
Decrease in other financial assets	30,579	871,971
Interest received	28,022	53,624
Dividend received	<u>76,783</u>	<u>19,536</u>
Net cash used in investing activities	<u>(683,882)</u>	<u>(330,976)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term loans	-	251
Decrease in short-term loans	(70,528)	-
Repayments of long-term loans	(2,042)	-
Proceeds from guarantee deposits received	49,942	46,722
Refunds of guarantee deposits received	(34,401)	(44,011)
Cash dividends	(1,120,468)	(1,120,468)
Interest paid	(2,875)	(3,253)
Changes in non-controlling interests	<u>2,316</u>	<u>-</u>
Net cash used in financing activities	<u>(1,178,056)</u>	<u>(1,120,759)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(311)</u>	<u>(547)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	223,379	(44,289)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>2,701,070</u>	<u>2,745,359</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u><u>\$ 2,924,449</u></u>	<u><u>\$ 2,701,070</u></u>

(Concluded)

Attachment IV

momo.com Inc.

Proposal for 2018 Earnings Distribution

Unit : NT\$

Items	Amount
Unappropriated retained earnings as of December 31,2017	\$ 2,096
Less : Effect of retrospective application	148,013,976
Unappropriated retained earnings - Adjusted	(148,011,880)
Add : Effect from investments in associates accounted for using the equity method	4,380,020
Less : Remeasurement of defined benefit obligation	520,519
Less : Retirement of treasury stock	337,704,956
Add : Net income of 2018	1,449,639,741
Less : Legal reserve appropriation (10%)	96,778,241
Add : Reversal of special reserve appropriation	98,432,553
Retained earnings available for distribution as of December 31,2018	\$ 969,436,718
Distribution item :	
Cash dividends to Common Share Holders (NT\$6.9216 per share)	\$ 969,428,914
Unappropriated retained earnings	\$ 7,804

Attachment V

momo.com Inc.

Amendment comparison chart for the Articles of Incorporation

After amendment	Before amendment	Explanation
<p>Article 11-1</p> <p>(i) <u>The treasury shares purchased by the Company in accordance with the Company Act may be transferred to, including but not limited to, employees of parents or subsidiaries of the Company meeting certain specific requirements set by the Board of Directors or its authorized persons.</u></p> <p>(ii) <u>The share subscription warrants of the Company may be issued to, including but not limited to, employees of parents or subsidiaries of the Company meeting certain specific requirements set by the Board of Directors or its authorized persons.</u></p> <p>(iii) <u>When the Company issues new shares, the employees entitled to subscribe for new shares may include employees of parents or subsidiaries of the Company meeting certain specific requirements set by the Board of Directors or its authorized persons.</u></p> <p>(iv) <u>The restricted stock for employees issued by the Company may be transferred to, including but not limited to, employees of parents or subsidiaries of the Company meeting certain specific requirements set by the Board of Directors or its authorized persons.</u></p>	<p>(Newly)</p>	<p>Added in accordance with the amendments to Articles 167-1, 167-2 and 267 of the Company Act to increase the subjects of the employee reward tools.</p>
<p>Article 26</p> <p><u>The remuneration of the Directors of the Company (including Independent Directors) is authorized to be resolved by the Board of Directors by considering their degree of participation in and contribution to the Company's operations, and based on the normal remuneration standard of the industry. A certain amount of</u></p>	<p>Article 26</p> <p><u>All directors of the board who are engaged in the Company's business shall be paid travel costs and remuneration. The allocation of remuneration shall be decided upon at the meeting of the board of directors based on industry standards. When the Company generates profit, remuneration shall be allocated to the</u></p>	<p>Adjusting the basis for the remuneration of Directors, and the Board of Directors will not be authorized to resolve on the total remuneration.</p>

After amendment	Before amendment	Explanation
<u>reimbursement of travel expenses or other allowances may also be provided.</u> When the Company generates profit, remuneration shall be allocated to the board of directors in accordance with Article 31 of the Articles of Incorporation. (omitted)	board of directors in accordance with Article 31 of the Articles of Incorporation. (omitted)	
Article 31 If the Company has any profit upon closing of accounts, a percentage of the profits shall be distributed as director and employee remuneration, as follows: 1. a maximum of 0.3% as director remuneration 2. 0.1% to 1% as employee remuneration However, if the Company is operating at a loss, profits shall be retained to make up the losses of preceding years. Employees' compensation may be distributed to, including but not limited to, employees of parents or subsidiaries of the Company meeting certain specific requirements set by the Board of Directors or its authorized persons.	Article 31 If the Company has any profit upon closing of accounts, a percentage of the profits shall be distributed as director and employee remuneration, as follows: 1. a maximum of 0.3% as director remuneration 2. 0.1% to 1% as employee remuneration However, if the Company is operating at a loss, profits shall be retained to make up the losses of preceding years. Subjects for the distribution of remuneration all include all subordinate employees who meet stipulated criteria.	Added in accordance with the amendment to Article 235-1 of the Company Act to increase the subjects of the employees' compensation.
Article 37 These Articles of Incorporation were approved by all members of the founders meeting on 19 August, 2004. First amendment on 10 March, 2005 Second amendment on 30 June, 2006 Third amendment on 17 May, 2007 Fourth amendment on 5 October, 2007 Fifth amendment on 30 January, 2008 Sixth amendment on 17 January, 2009 Seventh amendment on 19 August, 2010 Eighth amendment on 5 June, 2012 Tenth amendment on 14 February, 2014 Eleventh amendment on 14 May, 2014 Twelfth amendment on 6 May, 2015 Thirteenth amendment on 20 April, 2016 Fourteenth amendment on 17 May, 2017 Fifteenth amendment on 7 September, 2018. <u>Sixteenth amendment on 16 May, 2019.</u>	Article 37 These Articles of Incorporation were approved by all members of the founders meeting on 19 August, 2004. First amendment on 10 March, 2005 Second amendment on 30 June, 2006 Third amendment on 17 May, 2007 Fourth amendment on 5 October, 2007 Fifth amendment on 30 January, 2008 Sixth amendment on 17 January, 2009 Seventh amendment on 19 August, 2010 Eighth amendment on 5 June, 2012 Tenth amendment on 14 February, 2014 Eleventh amendment on 14 May, 2014 Twelfth amendment on 6 May, 2015 Thirteenth amendment on 20 April, 2016 Fourteenth amendment on 17 May, 2017 Fifteenth amendment on 7 September, 2018.	To include the dates of various amendment

Attachment VI

momo.com Inc.

Amendment comparison chart for the Regulations Governing the Acquisition and Disposal of Assets

After amendment	Before amendment	Explanation
Article 3 Assets referred to in these Regulations includes the following : 1. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities. 2. Real estate (including land, houses and buildings, investment property, rights to use land) and equipment. 3. Membership certificates. 4. Patents, copyrights, trademarks, franchise rights and other intangible assets. <u>5. Right-of-use asset.</u> <u>6. Claims of financial institutions (including receivables, bills purchased/discounted, loans and overdue receivables).</u> <u>7. Derivatives.</u> <u>8. Assets acquired or disposed of, in connection with mergers, demergers, acquisitions or transfer of shares in accordance with law.</u> <u>9. Other significant assets.</u>	Article 3 Assets referred to in these Regulations includes the following : 1. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities. 2. Real estate (including land, houses and buildings, investment property, rights to use land) and equipment. 3. Membership certificates. 4. Patents, copyrights, trademarks, franchise rights and other intangible assets. <u>5. Claims of financial institutions (including receivables, bills purchased/discounted, loans and overdue receivables).</u> <u>6. Derivatives.</u> <u>7. Assets acquired or disposed of, in connection with mergers, demergers, acquisitions or transfer of shares in accordance with law.</u> <u>8. Other significant assets.</u>	In accordance with IFRS 16 – Leases, the scope of right-of-use asset is expanded; subparagraph 2 regarding land use has also been moved to subparagraph 5.
Article 4 Terms used in these Regulations are defined as follows : 1. Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, swap contracts, compound contracts combining the above products, <u>and portfolio contracts or structured products with embedded derivatives,</u> whose value is derived from <u>specific interest rates, financial instrument prices, commodity prices,</u> interest rates,	Article 4 Terms used in these Regulations are defined as follows : 1. Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts and swap contracts, and compound contracts combining the above products, whose value is derived from assets, interest rates, foreign exchange rates, indexes or other interests. The term "forward contracts" does not include insurance contracts, performance	I. in accordance with IFRS 9 – Financial instrument, and the definitions therein, subparagraph 1 describing the scope of derivatives in these Regulations is

After amendment	Before amendment	Explanation
<p><u>pricing or rate indices, credit ratings or indices, or other variables.</u> The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) agreements.</p> <p>2. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefore (hereinafter "transfer of shares") under Article 156-3 of the Company Act.</p> <p>3. Related party or subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.</p> <p>4. Professional appraiser: refers to a real estate appraiser or other person duly authorized by law to engage in the value appraisal of real estate or equipment.</p> <p>5. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other dates that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the abovementioned dates or the date of receipt of approval by the competent authority</p>	<p>contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) agreements.</p> <p>2. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefore (hereinafter "transfer of shares") under Article 156-paragraph 8 of the Company Act.</p> <p>3. Related party or subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.</p> <p>4. Professional appraiser: refers to a real estate/property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.</p> <p>5. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other dates that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the abovementioned dates or the date of receipt of approval by the competent authority shall apply.</p> <p>6. Mainland China area investment: refers to investments in the mainland China area approved by the Ministry</p>	<p>amended, and wordings are adjusted accordingly.</p> <p>II. in accordance with the amendment made to the Company Act promulgated on August 1, 2018, and came into effect on November 1, 2018, "Article 156, paragraph 8" as quoted in subparagraph 2 is amended to Article 156-3.</p>

After amendment	Before amendment	Explanation
<p>shall apply.</p> <p>6. Mainland China area investment: refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in Mainland Area.</p>	<p>of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in Mainland Area.</p>	
<p>Article 5</p> <p>Professional appraisers and their officers, certified public accountants, attorneys and securities underwriters that provide the Company with appraisal reports, opinions of certified public accountants, attorney's opinions or underwriter's opinions shall <u>meet the following criteria:</u></p> <p>1. <u>The individual has not been found in violation of the Company Act, the Banking Act, the Insurance Act, the Financial Holding Company Act, The Business Entity Accounting Act, or has committed fraud, breach of trust, encroachment, forgery of documents or other business-related crimes, and has not been sentenced to at least one year imprisonment. Individuals that have completed their sentences, put on probation or were pardoned three or more years ago are not included in this.</u></p> <p>2. <u>The individual shall not be a party related to the person in charge of the transaction.</u></p> <p>3. <u>Where the Company is required to obtain assessment reports from two or more professional appraisers, said appraisers and their officers shall not be parties related to the Company.</u></p> <p><u>Where the above described individuals are submitting appraisal reports or opinions, they shall comply with the following:</u></p>	<p>Article 5</p> <p>Professional appraisers and their officers, certified public accounts, attorneys and securities underwriters that provide the Company with appraisal reports, opinions of certified public accountant, attorney's opinions or underwriter's opinions shall not be a related party of any party in the transaction.</p>	<p>To clearly describe the responsibilities of the external professionals, a second paragraph is added to clearly define the evaluation of appraisal reports, opinions and declarations from said professionals</p>

After amendment	Before amendment	Explanation
<ol style="list-style-type: none"> 1. <u>Prior to acceptance of cases, the individual shall carefully consider and assess if their professional abilities, practical experience and independence is of the standard required</u> 2. <u>When reviewing cases, the planning and execution of the appropriate operational procedures shall be applied to formulate conclusions and evidences for reports or opinions. The procedures carried out, data collection and conclusion shall be described in full at the end of the work report for the case.</u> 3. <u>The completeness, accuracy and reasonableness of the source of information, data, parameters used shall be assessed individually and shall act as the basis for the appraisal report or opinion.</u> 4. <u>Declarations and statements shall include the professional expertise of the individual engaged in the case, their independence, the correctness and accuracy of the information appraised, compliance to related laws and regulations, and other relevant matters.</u> 		
<p>Article 7 The Company shall specify the following items in the Regulations :</p> <ol style="list-style-type: none"> 1. The scope of assets: Refer to Article 3 of the Regulations. 2. Appraisal procedures: <ol style="list-style-type: none"> (1) Acquisition or disposal of negotiable securities <ol style="list-style-type: none"> i. Appraisal: The Accounting and Financing Department shall take professional consideration of the net asset value, profitability, and future development and market prospects to evaluate the reasonableness. ii. Pricing methodologies: 	<p>Article 7 The Company shall specify the following items in the Regulations and handle the acquisition or disposal matters in compliance with the Regulations :</p> <ol style="list-style-type: none"> 1. The scope of assets: Refer to Article 3 of the Regulations. 2. Appraisal procedures: <ol style="list-style-type: none"> (1) Acquisition or disposal of negotiable securities <ol style="list-style-type: none"> i. Appraisal: The Accounting and Financing Department shall take professional consideration of the net asset value, profitability, and future development and market 	<p>I. In accordance with IFRS 16 – Leases, subparagraph 5 of paragraph 1 is amended, where right-of-use asset with regards to non-business-use real estate is incorporated into the calculation of limits defined in the Company procedures</p>

After amendment	Before amendment	Explanation
<p>(a) Acquire or dispose negotiable securities trading at a centralized trading market or the security brokers according to the quoted price or market price at the time of trading.</p> <p>(b) Acquire or dispose negotiable securities NOT trading at a centralized trading market or the security brokers according to the latest Company's financial reports attested or reviewed by CPA in compliance with the regulations.</p> <p>(c) Acquire or dispose corporate bonds NOT trading at a centralized trading market or the security brokers according to the market interest rate, coupon rate and credit rating of the debtor at the time of trading.</p> <p>(2) Acquisition and Disposal of Real Estate and Other Fixed Assets</p> <p>i. Appraisal: The applying staff/<u>department</u> shall submit to the relevant department for evaluation on the necessity or reasonableness.</p> <p>ii. Pricing methodology:</p> <p>(a) Acquire or dispose real estate with reference on the appraisal reports on the latest <u>government's</u> assessed value, appraised value, recent transaction values of neighboring real estate, and/or appraisal reports presented by professional appraisal institution.</p> <p>(b) Acquire or dispose other</p>	<p>prospects to evaluate the reasonableness.</p> <p>ii. Pricing methodologies:</p> <p>(a) Acquire or dispose negotiable securities trading at a centralized trading market or the security brokers according to the quoted price or market price at the time of trading.</p> <p>(b) Acquire or dispose negotiable securities NOT trading at a centralized trading market or the security brokers according to the latest Company's financial reports attested or reviewed by CPA in compliance with the regulations.</p> <p>(c) Acquire or dispose corporate bonds NOT trading at a centralized trading market or the security brokers according to the market interest rate, coupon rate and credit rating of the debtor at the time of trading.</p> <p>(2) Acquisition and Disposal of Real Estate and Other Fixed Assets</p> <p>i. Appraisal: The applying staff/department shall submit to the relevant department for evaluation on the necessity or reasonableness.</p> <p>ii. Pricing methodology:</p> <p>(a) Acquire or dispose real estate with reference on the appraisal reports on the latest government's assessed value, appraised value, recent transaction values of neighboring real estate, and/or appraisal reports presented by</p>	<p>II. In consideration of the day-to-day operations of the Company, subparagraph 3 of paragraph 1 is amended, where the monetary limit for a single transaction is relaxed, and the scope of monetary funds is clearly described.</p>

After amendment	Before amendment	Explanation
<p>fixed assets should choose, but not limited to, one of the following methods: choosing price comparison, price negotiation or bidding.</p> <p>(3) Acquisition or Disposal of Membership and Intangible Assets</p> <p>i. Appraisal: The applying department staff shall attest and submit to relevant departments to evaluate the necessity or reasonableness.</p> <p>ii. Pricing methodology: The Company shall take consideration of the current market trend and the depreciation value of the future net earnings of the asset itself.</p> <p>(4) Related Party Transactions: refer to Section III of the Regulations.</p> <p>(5) Derivatives Trading: refer to Section IV of the Regulations</p> <p>(6) Corporate Mergers and Consolidations, Splits, Acquisitions and Assignment of Shares: refer to Section V of the Regulations</p> <p>3. Operating Procedures:</p> <p>(1) Degree of authority and levels to which authority is delegated: The Company acquiring or disposing assets, with the exception of the following circumstances, shall comply with the announced reporting standard matters with the resolution by the board of directors:</p> <p>i. The Company shall <u>give internal authorization</u> for approval of single transaction <u>where the amount has not met the lowest threshold for public announcement.</u> followed by proposing to the board of</p>	<p>professional appraisal institution.</p> <p>(b) Acquire or dispose other fixed assets should choose, but not limited to, one of the following methods: choosing price comparison, price negotiation or bidding.</p> <p>(3) Acquisition or Disposal of Membership and Intangible Assets</p> <p>1. Appraisal: The applying department staff shall attest and submit to relevant departments to evaluate the necessity or reasonableness.</p> <p>2. Pricing methodology: The Company shall take consideration of the current market trend and the depreciation value of the future net earnings of the asset itself.</p> <p>(4) Related Party Transactions: refer to Section III of the Regulations.</p> <p>(5) Derivatives Trading: refer to Section IV of the Regulations</p> <p>(6) Corporate Mergers and Consolidations, Splits, Acquisitions and Assignment of Shares: refer to Section V of the Regulations</p> <p>3. Operating Procedures:</p> <p>(1) Degree of authority and levels to which authority is delegated: The Company acquiring or disposing assets, with the exception of the following circumstances, shall comply with the announced reporting standard matters with the resolution by the board of directors:</p> <p>i. The Company shall authorize the chairperson for approval of single transaction of less than</p>	

After amendment	Before amendment	Explanation
<p>directors for recognition.</p> <p>ii. The chairperson shall be authorized to approve the short-term fund allocation (including buy/sell short-term securities, bonds under repurchase and resale agreements, bond-based funds, <u>and monetary funds issued by domestic securities investment trust enterprises</u>) with the purpose of acquiring or disposing assets.</p> <p>iii. The formulation of the degree of authority and levels to which authority is delegated when engaging in derivative trading shall be authorized by the board of directors prior to entering into effect.</p> <p>(2) Executing Dept.:</p> <p>i. Long-term/short-term securities investment: Financing and Accounting Dept.</p> <p>ii. Real estate, other fixed assets, <u>right-of-use asset</u>, membership and intangible assets: Department in use and administrative unit</p> <p>iii. Engaging in derivative: Financing and Accounting Dept.</p> <p>iv. Assets acquired or disposed through legal merger, split, acquisition or shares transfer: Project team.</p> <p>4. Announcement reporting procedures: Refer to Chapter III of the Regulations.</p> <p>5. The Company and subsidiaries acquiring non-business-use real estate, <u>right-of-use asset</u>, or lines of credit for securities:</p> <p>(1) Companies purchasing non-business real estate <u>and right-of-</u></p>	<p>NT\$300 million, followed by proposing to the board of directors for recognition.</p> <p>ii. The chairperson shall be authorized to approve the short-term fund allocation (including buy/sell short-term securities, bonds under repurchase and resale agreements, bond-based funds, monetary funds, and guaranteed structural/linkage-saving) with the purpose of acquiring or disposing assets.</p> <p>iii. The formulation of the degree of authority and levels to which authority is delegated when engaging in derivative trading shall be authorized by the board of directors prior to entering into effect.</p> <p>(2) Executing Dept.:</p> <p>i. Long-term/short-term securities investment: Financing and Accounting Dept.</p> <p>ii. Real estate, other fixed assets, membership and intangible assets: Department in use and administrative unit</p> <p>iii. Engaging in derivative: Financing and Accounting Dept.</p> <p>iv. Assets acquired or disposed through legal merger, split, acquisition or shares transfer: Project team.</p> <p>4. Announcement reporting procedures: Refer to Chapter III of the Regulations.</p> <p>5. The Company and subsidiaries acquiring non-business-use real estate or lines of credit for securities:</p> <p>(1) Companies purchasing non-business real estate, with the exception for investment based</p>	

After amendment	Before amendment	Explanation
<p><u>use asset</u>, with the exception for investment based purchase, may not exceed 30% of the total assets of the companies at the time of purchase.</p> <p>(2) Companies purchasing investment in negotiable securities, with the exception for investment based purchase, may not exceed the total amount assets of the companies at the time of purchase.</p> <p>(3) The ceiling for companies purchasing individual security, with the exception for investment based purchase, may not exceed the shareholder's equity of the companies at the time of purchase.</p> <p>6. The Company shall supervise the acquisition or disposal of assets by its subsidiaries with the control and supervision in compliance with the Company regulations and the subsidiaries' provisions on "Regulations Governing the Acquisition or Disposal of Assets."</p> <p>7. The Company's internal regulations shall apply to relevant personnel in violation of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" or the Regulations.</p> <p>The Company's subsidiaries should adopt and implement the same procedures for acquisition or disposal of assets in compliance with the Regulations.</p>	<p>purchase, may not exceed 30% of the total assets of the companies at the time of purchase.</p> <p>(2) Companies purchasing investment in negotiable securities, with the exception for investment based purchase, may not exceed the total amount assets of the companies at the time of purchase.</p> <p>(3) The ceiling for companies purchasing individual security, with the exception for investment based purchase, may not exceed the shareholder's equity of the companies at the time of purchase.</p> <p>6. The Company shall supervise the acquisition or disposal of assets by its subsidiaries with the control and supervision in compliance with the Company regulations and the subsidiaries' provisions on "Regulations Governing the Acquisition or Disposal of Assets."</p> <p>7. The Company's internal regulations shall apply to relevant personnel in violation of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" or the Regulations.</p> <p>The Company's subsidiaries should adopt and implement the same procedures for acquisition or disposal of assets in compliance with the Regulations.</p>	
<p>Article 8</p> <p>For acquisition or disposal of assets that is subjected to the approval of the board of directors under the <u>Company's defined</u> procedures or other laws or regulations, if a director expresses dissent and it is contained in the</p>	<p>Article 8</p> <p>For acquisition or disposal of assets that is subject to the approval of the board of directors under the company's procedures or other laws or regulations, if a director expresses dissent and it is contained in the minutes or a written</p>	<p>The wordings in paragraph 1 are amended to be in line with legal processes.</p>

After amendment	Before amendment	Explanation
minutes or a written statement, the company shall submit the director's dissenting opinion to the Audit Committee, and shall be subject to <u>paragraph 2 of Article 6</u> . Any transaction involving major assets or derivatives shall be approved by more than half of all Audit Committee Members and submitted to the board of directors for a resolution, and shall be subject to application of Article 6, paragraphs 3 and 4.	statement, the company shall submit the director's dissenting opinion to the Audit Committee, and shall be subject to Article 6, paragraphs 2 . Any transaction involving major assets or derivatives shall be approved by more than half of all Audit Committee Members and submitted to the board of directors for a resolution, and shall be subject to application of Article 6, paragraphs 3 and 4.	
<p>Article 9 In acquiring or disposing of real <u>estate</u>, equipment, or <u>right-of-use asset</u> where the transaction amount reaches 20 percent of the company's paid-in capital or NT\$300 million or more, the company, unless transacting with a <u>domestic</u> government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or <u>right-of-use asset</u> for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <ol style="list-style-type: none"> 1. Where due to special circumstance it is necessary to give a price limit, an exact price, or a special price as a reference basis for the transaction price, <u>and any subsequent changes to terms and conditions of the transaction hereto</u>, the transaction shall be submitted for approval in advance by the board of directors. 2. Two or more professional appraisers shall be obtained if the transaction value is NT\$ 1 billion or more. 3. If one of the following circumstances applies with respect to the professional appraiser's appraisal results - unless all the appraisal results for the assets to be acquired 	<p>Article 9 In acquiring or disposing of real property or equipment where the transaction amount reaches 20 percent of the company's paid-in capital or NT\$300 million or more, the company, unless transacting with a government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <ol style="list-style-type: none"> 1. Where due to special circumstances it is necessary to give a price limit, an exact price, or a special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors and the same procedure shall be followed for any future changes to the terms and conditions of the transaction. 2. Two or more professional appraisers shall be obtained if the transaction value is NT\$ 1 billion or more. 3. If one of the following circumstances applies with respect to the professional appraiser's appraisal results - unless all the appraisal results for the assets to be acquired are higher than the transaction 	<ol style="list-style-type: none"> I. In accordance with IFRS 16 – Leases, paragraph 1 is amended, where right-to-use asset is incorporated into this Article. II. The wordings are amended to be in line with legal processes.

After amendment	Before amendment	Explanation
<p>are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount - a certified public accountant shall be engaged to appraise the value of the underlying asset in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (hereinafter referred to as ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(1) The difference between the appraised value and the transaction value is exceeds 20 percent.</p> <p>(2) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction value.</p> <p>4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, than the original professional appraiser may still issue an appraisal opinion report.</p>	<p>amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount - a certified public accountant shall be engaged to appraise the value of the underlying asset in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (hereinafter referred to as ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(1) The difference between the appraised value and the transaction value is exceeds 20 percent.</p> <p>(2) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction value.</p> <p>4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, than the original professional appraiser may still issue an appraisal opinion report.</p>	
<p>Article 11</p> <p>Where the Company acquires or disposes of intangible assets, <u>right-of-use asset, or memberships</u> and the transaction amount reaches 20 percent or more of paid-in capital or NT\$ 300 million or more, except in transactions with a <u>domestic</u> government agency, the company shall engage a certified public accountant prior to the date of</p>	<p>Article 11</p> <p>Where the Company acquires or disposes of memberships or intangible assets and the transaction amount reaches 20 percent or more of paid-in capital or NT\$ 300 million or more, except in transactions with a government agency, the company shall engage a certified public accountant prior to the date of occurrence of the</p>	<p>I. In accordance with IFRS 16 – Leases, paragraph 1 is amended and the right-of-use asset is incorporated into this Article.</p>

After amendment	Before amendment	Explanation
occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.	event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.	II. The wordings are amended to be in line with legal processes.
Article 12 The calculation of the transaction amounts referred to in the preceding three articles shall be done in accordance with Article 31, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained can be excluded.	Article 11-1 The calculation of the transaction amounts referred to in the preceding three articles shall be done in accordance with Article 30, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained can be excluded.	Change in Article number and number of the Article referenced herein.
Article 13 Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be a substitute for the appraisal report or CPA opinion.	Article 12 Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be a substitute for the appraisal report or CPA opinion.	Change in Article number.
Article 14 When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10 percent or more of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions of the preceding Section and this Section. The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 12 herein.	Article 13 When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10 percent or more of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions of the preceding Section and this Section. The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 11-1 herein.	Change in Article number and number of the Article referenced herein.

After amendment	Before amendment	Explanation
When judging whether a trading counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.	When judging whether a trading counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.	
<p>Article 15</p> <p>When the Company intends to acquire or dispose of real <u>estate or right-of-use asset</u> from or to a related party, or when it intends to acquire or dispose of assets other than real property <u>or right-of-use asset</u> from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of government bonds or bonds under repurchase and resale agreements, or subscription or repurchase of money market funds issued by domestic securities investment trust enterprises, the Company shall acquire the consent from the majority of all Audit Committee Members and may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the board of directors for resolutions, and subject to mutatis mutandis application of Article 6, paragraphs 2, 3 and 4:</p> <ol style="list-style-type: none"> 1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets. 2. The reason for choosing the related party as a trading counterparty. 3. With respect to the acquisition of real property from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 16 and Article 17. 4. The date and price at which the related party originally acquired the real property, the original trading 	<p>Article 14</p> <p>When the Company intends to acquire or dispose of real property from or to a related party, or when it intends to acquire or dispose of assets other than real property from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of government bonds or bonds under repurchase and resale agreements, or subscription or repurchase of money market funds issued by domestic securities investment trust enterprises, the Company shall acquire the consent from the majority of all Audit Committee Members and may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the board of directors for resolutions, and subject to mutatis mutandis application of Article 6, paragraphs 2, 3 and 4:</p> <ol style="list-style-type: none"> 1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets. 2. The reason for choosing the related party as a trading counterparty. 3. With respect to the acquisition of real property from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 15 and Article 16. 4. The date and price at which the related party originally acquired the real property, the original trading 	<p>I. Change in Article number and number of the Article referenced herein.</p> <p>II. Clearly define that only domestic public debt does not require approval from the board of directors and auditing committee.</p> <p>III. in consideration of the overall business organization for companies within the group, where purchase or lease of equipment or real estate for business use may be undertaken on a group scale and then divided up for different companies' use. Such undertakings are of lower</p>

After amendment	Before amendment	Explanation
<p>counterparty and that trading counterparty's relationship to the company and the related party.</p> <p>5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>7. Restrictive covenants and other important stipulations associated with the transaction.</p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with paragraph 2, Article 31, herein and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors and recognized by the Audit Committee need not be counted toward the transaction amount.</p> <p>With respect to the acquisition or dispersal of <u>right-of-use for business real property</u> between the Company <u>from its parent company, subsidiaries, or a subsidiary in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, and the transaction has not reached the threshold required for public announcement</u>, the Company's board of directors may, pursuant to <u>subparagraph 3, paragraph 1 of Article 7</u>, delegate the chairman of the board to decide <u>on the following matters, and the decision shall be submitted and</u></p>	<p>counterparty and that trading counterparty's relationship to the company and the related party.</p> <p>5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>7. Restrictive covenants and other important stipulations associated with the transaction.</p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 30, paragraph 2 herein and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors and recognized by the Audit Committee need not be counted toward the transaction amount.</p> <p>With respect to the acquisition or disposal of business-use equipment between the Company and its parent or subsidiaries, the Company's board of directors may, pursuant to Article 7, paragraph 1, subparagraph 3, delegate the board chairman to decide such matters when the transaction is NT\$300 million or less and have the decisions subsequently submitted to and ratified by the next board of directors meeting.</p>	<p>risk, and is thus relaxed to allow the chairman of the board to provide authorization without prior approval from the board of director. The wordings are adjusted accordingly to reflect this.</p>

After amendment	Before amendment	Explanation
<p>ratified <u>at the soonest</u> board of directors meeting:</p> <ol style="list-style-type: none"> 1. <u>Acquisition or dispersal of right-of-use for business equipment</u> 2. <u>Acquisition or dispersal of right-of-use for business real property.</u> 		
<p>Article 16 The Company acquiring real estate <u>or right-of-use asset</u> from a related party shall evaluate the reasonableness of the transaction costs by the following means:</p> <ol style="list-style-type: none"> 1. Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the Company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance. 2. Total loan value appraisal from a financial institution where the related party has previously used the property as collateral for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party as one of the trading counterparties. <p>Where, land and structures thereupon are combined as a single property purchased <u>or leased</u> in a transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.</p>	<p>Article 15 The Company acquiring real estate from a related party shall evaluate the reasonableness of the transaction costs by the following means:</p> <ol style="list-style-type: none"> 1. Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the Company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance. 2. Total loan value appraisal from a financial institution where the related party has previously used the property as collateral for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party as one of the trading counterparties. <p>Where, land and structures thereupon are combined as a single property purchased in a transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph. The Company acquiring real estate from a</p>	<ol style="list-style-type: none"> I. Change in Article number. II. In accordance with IFRS 16 – Leases, paragraphs 1 to 4 are amended and leasing to acquire right-of-use for real property from related party is incorporated into this Article. III. in consideration of the overall business organization for companies within the group, where purchase or lease of equipment or real property for business use may be undertaken on a group scale and then divided up for different companies' use, where the risk of such transactions being an irregular

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<p>The Company acquiring real estate <u>or right-of-use asset</u> from a related party and appraising the cost of the real estate <u>or right-of-use asset</u> in accordance with <u>the preceding two paragraphs</u> shall also engage a CPA for an appraisal and render a specific opinion.</p> <p>Where the Company acquires real estate <u>or right-of-use asset</u> from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with <u>the preceding Article</u> and the preceding three paragraphs do not apply:</p> <ol style="list-style-type: none"> 1. The related party acquired the real estate <u>or right-of-use asset</u> through inheritance or as a gift. 2. More than 5 years have elapsed from the time the related party signed the contract to obtain the real estate to the signing date for the current transaction. 3. The real estate is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real estate, either on the Company's own land or on rented land. 4. <u>The right-of-use to real property for business use is obtained by the Company from its parent company, subsidiaries, or a subsidiary in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.</u> 	<p>related party and appraising the cost of the real estate in accordance with paragraph 1 and paragraph 2 shall also engage a CPA for an appraisal and render a specific opinion. Where the Company acquires real estate from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with Article 14 and the preceding three paragraphs do not apply:</p> <ol style="list-style-type: none"> 1. The related party acquired the real estate through inheritance or as a gift. 2. More than 5 years have elapsed from the time the related party signed the contract to obtain the real property to the signing date for the current transaction. 3. The real estate is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real estate, either on the Company's own land or on rented land. 	<p>transaction is lower, subparagraph 4, paragraph 4 is added, whereby the regulations of such transactions are carried out in accordance with the Article's appraisal of the reasonableness of the transaction cost (the price at which the related party acquired or leased the real estate) is removed. Where this Article cannot be reasonably applied to such transactions, submission on the reasonableness of the transaction price described in Article 17 and procedures related to special reserves described in Article 18 shall also not apply.</p> <p>IV. The wordings are amended to be in line</p>

After amendment	Before amendment	Explanation
		with legal processes.
<p>Article 17 When the results of the Company's appraisal conducted in accordance with paragraph 1 and paragraph 2 of the preceding Article are uniformly lower than the transaction price, the matter shall be in compliance with Article 18. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA has been obtained, this restriction shall not apply:</p> <p>1. Where the related party acquired undeveloped land or leased land for development, it may submit the proof of compliance with one of the following conditions:</p> <p>(1) Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.</p> <p>(2) Completed transactions by unrelated parties <u>for other floors of the same property or in neighboring areas from within the preceding year</u>, where the terms <u>of the transactions</u> are similar</p>	<p>Article 16 When the results of the Company's appraisal conducted in accordance with paragraph 1 and paragraph 2 of the preceding Article are uniformly lower than the transaction price, the matter shall be in compliance with Article 17. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA has been obtained, this restriction shall not apply:</p> <p>1. Where the related party acquired undeveloped land or leased land for development, it may submit the proof of compliance with one of the following conditions:</p> <p>(i) Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.</p> <p>(ii) Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring parcels of land, where the land area and</p>	<p>I. Change in Article number and the number of Article referenced herein.</p> <p>II. In accordance with the practical operation of leasing plants and other real properties, the acquisition of right-of-use for real property from related party is relaxed, where the leasing transactions by unrelated parties in the neighbouring areas within the preceding year shall be used as reference case for the calculations and appraisal of the reasonableness of the transaction price. Item 1, subparagraph 1 paragraph 1 is incorporated into item 2. Leasing are also added as</p>

After amendment	Before amendment	Explanation
<p>after calculation of reasonable price discrepancies <u>among floors</u> or areas in accordance with <u>standard property sales or leasing</u> market practices.</p> <p>2. The company acquires <u>or leases right-of-use</u> for real estate from a related party, and provide evidence the terms of the transaction are similar to transactions completed for neighbouring parcels <u>or</u> land of a similar size by unrelated parties within the preceding year.</p> <p>Completed transactions for neighboring parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transaction for similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property <u>or right-of-use asset</u>.</p>	<p>transaction terms are similar after calculation of reasonable price differences for the floor level or area land prices in accordance with standard property market practices.</p> <p>(iii) Completed leasing transactions by unrelated parties for other floors of the same property from within the preceding year, where the transaction terms are similar after calculation of reasonable price differences among floors in accordance with standard property leasing market practices.</p> <p>2. The Company acquires real estate from a related party and provides evidence that the terms of the transaction are similar to the terms of transactions completed for the acquisition of neighboring parcels of land of a similar size by unrelated parties within the preceding year.</p> <p>Completed transactions for neighboring parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transaction for similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property.</p>	<p>transaction cases. Item 3, subparagraph 1 of paragraph 1; subparagraph 2 of paragraph 1 and paragraph 2 are also amended for clearer descriptions</p>
<p>Article 18</p> <p>Where the Company acquires real estate <u>or right-of-use asset</u> from a related party and the results of appraisals conducted in accordance with <u>the preceding two Articles</u> are</p>	<p>Article 17</p> <p>Where the Company acquires real estate from a related party and the results of appraisals conducted in accordance with Article 15 and Article 16 are uniformly lower than the</p>	<p>I. Change in Article number.</p> <p>II. In accordance with IFRS 16 – Leases,</p>

After amendment	Before amendment	Explanation
<p>uniformly lower than the transaction price, the following steps shall be taken:</p> <ol style="list-style-type: none"> 1. A special reserve shall be set aside in accordance with Article 41, paragraph 1 of the Securities Exchange Act against the difference between the real estate transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where the Company uses the equity method to account for its investment in another public company, then the special reserve called for under Article 41, paragraph of the Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company. 2. The Audit Committee shall comply with Article 218 of the Company Act. 3. Actions taken pursuant to <u>the preceding two subparagraphs</u> shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus. <p>The Company shall set aside a special reserve under the preceding paragraph and may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it <u>purchased or leased</u> at a premium, or they have been disposed of, <u>or the lease has been terminated,</u> or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the <u>FSC</u> has given its consent.</p>	<p>transaction price, the following steps shall be taken:</p> <ol style="list-style-type: none"> 1. A special reserve shall be set aside in accordance with Article 41, paragraph 1 of the Securities Exchange Act against the difference between the real estate transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where the Company uses the equity method to account for its investment in another public company, then the special reserve called for under Article 41, paragraph of the Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company. 2. The Audit Committee shall comply with Article 218 of the Company Act. 3. Actions taken pursuant to subparagraph 1 and subparagraph 2 shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus. <p>The Company shall set aside a special reserve under the preceding paragraph and may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased at a premium, or they have been disposed of, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the Financial Supervisory Commission has given its consent. When the Company obtains real property from a related party, it shall also comply with the preceding</p>	<p>preface and subparagraph 1 of paragraph 1, paragraphs 2 and 3 are amended, where leasing from related party to acquire right-of-use for real property is incorporated into the procedures that shall be carried out in appraisal of cost when it is lower than the transaction cost.</p>

After amendment	Before amendment	Explanation
When the Company obtains real property <u>or right-of-use asset</u> from a related party, it shall also comply with the preceding two paragraphs if there is other evidence indicating that the acquisition was not an arms-length transaction.	two paragraphs if there is other evidence indicating that the acquisition was not an arms-length transaction.	
<p>Article 19 The Company engaging in derivatives trading shall pay strict attention to control of the following important risk management and auditing matters, and incorporate them into its Procedures:</p> <p>1. Trading principles and strategies:</p> <p>(1) Types of Derivative Transactions: The Company shall handle all derivatives defined in Article 4, Paragraph 1 of the Regulations.</p> <p>(2) Management or Hedge Strategies: The trading of the so-called derivatives in the Regulations can be divided into hedge (non-trading) and trading purposed according to the holding or issuing purpose. The Company shall apply hedge principles when engaged in derivative trading and shall deal with financial institutions who engaged in business dealing with the Company to avoid credit risk.</p> <p>(3) Division of Responsibility:</p> <p>i. Accounting Dept.: The department is responsible for creating accounting, provide validation of position report and trading, and record receipts into vouchers to complete relevant accounting report.</p> <p>ii. Financial Dept.: (a) Obtain updated market information at all times, determine trend and risk, familiarize with derivatives, regulations and laws and provide sufficient and real-</p>	<p>Article 18 The Company engaging in derivatives trading shall pay strict attention to control of the following important risk management and auditing matters, and incorporate them into its Procedures:</p> <p>1. Trading principles and strategies:</p> <p>(1) Types of Derivative Transactions: The Company shall handle all derivatives defined in Article 4, Paragraph 1 of the Regulations.</p> <p>(2) Management or Hedge Strategies: The trading of the so-called derivatives in the Regulations can be divided into hedge (non-trading) and trading purposed according to the holding or issuing purpose. The Company shall apply hedge principles when engaged in derivative trading and shall deal with financial institutions who engaged in business dealing with the Company to avoid credit risk.</p> <p>(3) Division of Responsibility:</p> <p>i. Accounting Dept.: The department is responsible for creating accounting, provide validation of position report and trading, and record receipts into vouchers to complete relevant accounting report.</p> <p>ii. Financial Dept.: (a) Obtain updated market information at all times, determine trend and risk, familiarize with derivatives, regulations and laws and provide sufficient and real-time information for</p>	Change in Article number.

After amendment	Before amendment	Explanation
<p>time information for reference to relevant departments.</p> <p>(b) Estimate the overall foreign exchange and other hedge position requirement of the Company, lock in proceeds and costs. Control the derivative position trading and evaluate unrealized loss/profits according to the market.</p> <p>(c) Cooperate with the use of bank credit line to meticulously calculate cash flow and process the post-delivery work of financial personnel.</p> <p>(d) Be responsible for drafting and correcting derivative trading related processing procedures and summarizing the trade records routinely reported by the Company and the subsidiaries so to comprehensively manage the monthly trading announcement.</p> <p>(e) The division of above work shall comply with Article 19, Paragraph 2.</p> <p>iii. Auditing Dept.: Conduct routine and non-routine audit in accordance with the internal audit system.</p> <p>(4) Performance Evaluation Guidelines: The Accounting Department shall routinely evaluate the net loss/profit and provide the foreign exchange position evaluation report to the competent authorities as management reference and performance evaluation, thereby</p>	<p>reference to relevant departments.</p> <p>(b) Estimate the overall foreign exchange and other hedge position requirement of the Company, lock in proceeds and costs. Control the derivative position trading and evaluate unrealized loss/profits according to the market.</p> <p>(c) Cooperate with the use of bank credit line to meticulously calculate cash flow and process the post-delivery work of financial personnel.</p> <p>(d) Be responsible for drafting and correcting derivative trading related processing procedures and summarizing the trade records routinely reported by the Company and the subsidiaries so to comprehensively manage the monthly trading announcement.</p> <p>(e) The division of above work shall comply with Article 19, Paragraph 2.</p> <p>iii. Auditing Dept.: Conduct routine and non-routine audit in accordance with the internal audit system.</p> <p>(4) Performance Evaluation Guidelines: The Accounting Department shall routinely evaluate the net loss/profit and provide the foreign exchange position evaluation report to the competent authorities as management reference and performance evaluation, thereby to adjust and improve the hedge</p>	

After amendment	Before amendment	Explanation
<p>to adjust and improve the hedge strategies.</p> <p>(5) Aggregate Amount of Trading Contract:</p> <p>i. Aggregate Amount of Hedge-base Product Trading: The estimated acquisition or production of assets or liabilities now and in the next 6 months shall be the ceiling and any amount exceeding this value shall be reported to the board of directors for approval.</p> <p>ii. Aggregate Amount of Trading Products: No engagement in derivatives is permitted without the authorization of the board of directors.</p> <p>(6) <u>Maximum</u> amount of losses for All and Individual Contract:</p> <p>i. Hedge-based Product Trading: The amount of losses may not exceed 10% of the contract amount and shall apply to individual contract and all contracts. In the event of a loss exceeding 10% of the contract amount, the chairman shall immediately be notified and report to the board of directors to discuss the necessary response actions.</p> <p>ii. Trading-Based Product Trading: The loss on single trade may not exceed USD100,000 while the loss on all position may not exceed USD1 million, or foreign exchange loss of equivalent value, which shall be established as the point to close outstanding contracts at a loss. Any change to the above shall require the approval from the board of director before implementation.</p> <p>2. Risk management measures:</p>	<p>strategies.</p> <p>(5) Aggregate Amount of Trading Contract:</p> <p>i. Aggregate Amount of Hedge-base Product Trading: The estimated acquisition or production of assets or liabilities now and in the next 6 months shall be the ceiling and any amount exceeding this value shall be reported to the board of directors for approval.</p> <p>ii. Aggregate Amount of Trading Products: No engagement in derivatives is permitted without the authorization of the board of directors.</p> <p>(6) Maximum amount of losses for All and Individual Contract:</p> <p>i. Hedge-based Product Trading: The amount of losses may not exceed 10% of the contract amount and shall apply to individual contract and all contracts. In the event of a loss exceeding 10% of the contract amount, the chairman shall immediately be notified and report to the board of directors to discuss the necessary response actions.</p> <p>ii. Trading-Based Product Trading: The loss on single trade may not exceed USD100,000 while the loss on all position may not exceed USD1 million, or foreign exchange loss of equivalent value, which shall be established as the point to close outstanding contracts at a loss. Any change to the above shall require the approval from the board of director before implementation.</p> <p>2. Risk management measures: Implement in accordance with</p>	

After amendment	Before amendment	Explanation
<p>Implement in accordance with Article 19 of the Regulations.</p> <p>3. Internal audit system: Implement in accordance with paragraph 2, Article 20 of the Regulations.</p> <p>4. Regular evaluation methods and the handling of irregular circumstances shall follow the relevant provisions of the Regulations for implementation.</p>	<p>Article 19 of the Regulations.</p> <p>3. Internal audit system: Implement in accordance with Article 20, Paragraph 2 of the Regulations.</p> <p>Regular evaluation methods and the handling of irregular circumstances shall follow the relevant provisions of the Regulations for implementation.</p>	
<p>Article 20</p> <p>The Company shall adopt the following risk management measures for the engagement in derivatives trading:</p> <p>1. Scope of risk management:</p> <p>(1) Consideration of credit risk: The trading counterparties of the Company shall be limited to the banks with existing business dealings or internationally prestigious financial institutions that can provide adequate professional insight and market information.</p> <p>(2) Consideration of market price risk: The Company shall control the risk in market variation for the derivative due to interest rate, exchange variation or other factors.</p> <p>(3) Consideration of liquidity risk: To assure liquidity, the trading counterparties must have adequate equipment, information and trading capacity in addition to conducting trading in any market.</p> <p>(4) Consideration of cash flow risk: The Company shall maintain adequate short term assets and credit line to cope with the potential cash flow need.</p> <p>(5) Consideration of operating risk: The Company clearly <u>establishes</u> required authority metrics and operation process to avoid potential operational risks.</p>	<p>Article 19</p> <p>The Company shall adopt the following risk management measures for the engagement in derivatives trading:</p> <p>1. Scope of risk management:</p> <p>(1) Consideration of credit risk: The trading counterparties of the Company shall be limited to the banks with existing business dealings or internationally prestigious financial institutions that can provide adequate professional insight and market information.</p> <p>(2) Consideration of market price risk: The Company shall control the risk in market variation for the derivative due to interest rate, exchange variation or other factors.</p> <p>(3) Consideration of liquidity risk: To assure liquidity, the trading counterparties must have adequate equipment, information and trading capacity in addition to conducting trading in any market.</p> <p>(4) Consideration of cash flow risk: The Company shall maintain adequate short term assets and credit line to cope with the potential cash flow need.</p> <p>(5) Consideration of operating risk: The Company clearly establish required authority metrics and operation process to avoid potential operational risks.</p>	<p>I. Change in Article number.</p> <p>II. Wordings are amended in subparagraph 4.</p>

After amendment	Before amendment	Explanation
<p>(6) Consideration of legal risk: The documents signed between the Company and the trading counterparties <u>are</u> required to <u>be reviewed</u> by internal legal personnel or legal consultants prior to official signing to avoid legal risks.</p> <p>2. Personnel engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement.</p> <p>3. Risk measurement, monitoring, and control personnel shall be assigned to a different department that the personnel in the preceding subparagraph and shall report to the board of directors or senior management personnel with no responsibility for trading or position decision-making.</p> <p>4. Value of derivative positions held for trading purposes shall be evaluated at least once per week; however, positions for hedge trades required by business shall be evaluated at least twice per month. Evaluation reports shall be delivered to senior management personnel authorized by the board of directors and reported to the board of directors quarterly for reviewing.</p>	<p>(6) Consideration of legal risk: The documents signed between the Company and the trading counterparties is required to be reviewed by internal legal personnel or legal consultants prior to official signing to avoid legal risks.</p> <p>2. Personnel engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement.</p> <p>3. Risk measurement, monitoring, and control personnel shall be assigned to a different department that the personnel in the preceding subparagraph and shall report to the board of directors or senior management personnel with no responsibility for trading or position decision-making.</p> <p>4. Value of derivative positions held for trading purposes shall be evaluated at least once per week; however, positions for hedge trades required by business shall be evaluated at least twice per month. Evaluation reports shall be submitted to senior management personnel authorized by the board of directors and reported to the board of directors quarterly for reviewing.</p>	
<p>Article 21 Where the Company engaging in derivatives trading, its board of directors shall faithfully supervise and manage such trading in accordance with the following principles:</p> <p>1. Designate senior management personnel to pay continuous attention to monitoring and controlling derivatives trading risk.</p> <p>2. Periodically evaluate whether derivatives trading performance is consistent with established operational strategy and whether the</p>	<p>Article 20 Where the Company engaging in derivatives trading, its board of directors shall faithfully supervise and manage such trading in accordance with the following principles:</p> <p>1. Designate senior management personnel to pay continuous attention to monitoring and controlling derivatives trading risk.</p> <p>2. Periodically evaluate whether derivatives trading performance is consistent with established operational strategy and whether the</p>	<p>I. Change in Article number.</p> <p>II. Added “The Company shall report to the soonest meeting of the board of directors after it authorized the relevant personnel to handle</p>

After amendment	Before amendment	Explanation
<p>risk undertaken is within the company's permitted scope of tolerance.</p> <p>Senior management personnel authorized by the board of directors shall manage derivatives trading in accordance with the following principles:</p> <p><u>1.</u> Periodically evaluate the risk management measures currently employed are appropriate and are faithfully conducted in accordance with these Regulations Governing the Acquisition or Disposal of Assets for Public Companies” and the Regulations for engaging in derivatives trading formulated by the Company.</p> <p><u>2.</u> When irregular circumstances are found in the course of supervising trading activities and profit-loss statements, appropriate measures shall be adopted and immediately report to the board of directors; where a company has independent directors, an independent director shall be present at the meeting and express an opinion.</p> <p><u>The Company shall report to the soonest meeting of the board of directors after it authorized the relevant personnel to handle derivative trading in accordance with these procedures.</u></p>	<p>risk undertaken is within the company's permitted scope of tolerance.</p> <p>Senior management personnel authorized by the board of directors shall manage derivatives trading in accordance with the following principles:</p> <p>⌚. Periodically evaluate the risk management measures currently employed are appropriate and are faithfully conducted in accordance with these Regulations Governing the Acquisition or Disposal of Assets for Public Companies” and the Regulations for engaging in derivatives trading formulated by the Company.</p> <p>⌚. When irregular circumstances are found in the course of supervising trading activities and profit-loss statements, appropriate measures shall be adopted and immediately report to the board of directors; where a company has independent directors, an independent director shall be present at the meeting and express an opinion.</p>	<p>derivative trading in accordance with these procedures.” in compliance with legal processes.</p>
<p>Article 22</p> <p>The Company shall establish a log book in which details of the types and amounts of derivatives trading engaged in, board of directors approval dates, and the matters required to be carefully evaluated under subparagraph 4 of Article 20 and subparagraph 2, paragraph 1 and subparagraph 1, paragraph 2 of <u>the preceding</u> Article shall be recorded in detail in the log book, when engaging in derivatives</p>	<p>Article 21</p> <p>The Company shall establish a log book in which details of the types and amounts of derivatives trading engaged in, board of directors approval dates, and the matters required to be carefully evaluated under subparagraph 4 of Article 49 and subparagraph 2 of paragraph 1 and subparagraph 1 of paragraph 2 of Article 20 shall be recorded in detail in the log book, when engaging in derivatives trading. The</p>	<p>I. Change in the Article number and number of the Articles referenced herein.</p> <p>II. The wording in is amended to be in line with legal processes.</p>

After amendment	Before amendment	Explanation
trading. The Company's internal audit personnel shall periodically make a determination of the suitability of internal controls on derivatives and conduct a monthly audit of how faithfully derivatives trading by the trading department adheres to the procedures for engaging in derivatives trading, and prepare an audit report. If any material violation is discovered, the Audit Committee shall be notified in writing.	Company's internal audit personnel shall periodically make a determination of the suitability of internal controls on derivatives and conduct a monthly audit of how faithfully derivatives trading by the trading department adheres to the procedures for engaging in derivatives trading, and prepare an audit report. If any material violation is discovered, the Audit Committee shall be notified in writing.	
Article <u>23</u> The Company that conducts a merger, demerger, acquisition, or transfer of shares, prior to convening the board of directors to resolve on the matter, shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the board of directors for deliberation and passage. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by the Company of a subsidiary in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the Company directly or indirectly holds 100 percent of the respective subsidiaries' issued shares or authorized capital.	Article <u>22</u> The Company that conducts a merger, demerger, acquisition, or transfer of shares, prior to convening the board of directors to resolve on the matter, shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the board of directors for deliberation and passage. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by the Company of a subsidiary in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the Company directly or indirectly holds 100 percent of the respective subsidiaries' issued shares or authorized capital.	Change in Article number.
Article<u>24</u> The Company participating in a merger, demerger, acquisition, or transfer of shares shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders meeting and include it	Article <u>23</u> The Company participating in a merger, demerger, acquisition, or transfer of shares shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders meeting and include it	Change in Article number.

After amendment	Before amendment	Explanation
<p>along with the expert opinion referred to in paragraph 1 of the preceding Article when sending shareholders notification of the shareholders meeting as reference for deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts the company from convening shareholders meeting to approve the merger, demerger or acquisition, this restriction shall not apply.</p> <p>Where the shareholders meeting of any one of the companies participating in a merger, demerger, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the companies participating in the merger, demerger or acquisition shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders meeting.</p>	<p>along with the expert opinion referred to in paragraph 1 of the preceding Article when sending shareholders notification of the shareholders meeting as reference for deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts the company from convening shareholders meeting to approve the merger, demerger or acquisition, this restriction shall not apply.</p> <p>Where the shareholders meeting of any one of the companies participating in a merger, demerger, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the companies participating in the merger, demerger or acquisition shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders meeting.</p>	
<p>Article 25</p> <p>The Company participating in a merger, demerger or acquisition shall convene a board of directors meeting and shareholders meeting on the day of the transaction to resolve matters relevant to the merger, demerger or acquisition, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent. The Company participating in a transfer of shares shall call a board of directors meeting on the day of the transaction, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent. When participating in a merger, demerger, acquisition or transfer of another company's shares, a</p>	<p>Article 24</p> <p>The Company participating in a merger, demerger or acquisition shall convene a board of directors meeting and shareholders meeting on the day of the transaction to resolve matters relevant to the merger, demerger or acquisition, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent. The Company participating in a transfer of shares shall call a board of directors meeting on the day of the transaction, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent. When participating in a merger, demerger, acquisition or transfer of another company's shares, a</p>	<p>I. Change in Article number.</p> <p>II. The wordings are amended to be in line with legal processes.</p>

After amendment	Before amendment	Explanation
<p>company that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following information and retain it for 5 years for reference:</p> <ol style="list-style-type: none"> 1. Basic identification data for personnel: including the occupational titles, names and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information. 2. Dates of material events: including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a board of directors meeting. 3. Important documents and minutes: including merger, demerger, acquisition and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of board of directors meetings. <p>When participating in a merger, demerger, acquisition or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall, within 2 days commencing immediately from the date of passage of a resolution by the board of directors, report (in the prescribed format and via the Internet-based information system) the information set out in subparagraphs 1 and 2 of the preceding paragraph to the FSC for recordation. Where any of the companies participating in a merger, demerger, acquisition, or transfer of</p>	<p>company that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following information and retain it for 5 years for reference:</p> <ol style="list-style-type: none"> 1. Basic identification data for personnel: including the occupational titles, names and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information. 2. Dates of material events: including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a board of directors meeting. 3. Important documents and minutes: including merger, demerger, acquisition and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of board of directors meetings. <p>When participating in a merger, demerger, acquisition or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall, within 2 days commencing immediately from the date of passage of a resolution by the board of directors, report (in the prescribed format and via the Internet-based information system) the information set out in subparagraphs 1 and 2 of the preceding paragraph to the FSC for recordation. Where any of the companies participating in a merger, demerger, acquisition, or transfer of</p>	

After amendment	Before amendment	Explanation
another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the company(s) so listed or traded shall sign an agreement with such company whereby the latter is required to abide by the provisions of <u>the preceding two paragraphs</u> .	another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the company(s) so listed or traded shall sign an agreement with such company whereby the latter is required to abide by the provisions of paragraphs 3 and 4 .	
Article26 Every person participating in or privy to the plan for merger, demerger, acquisition or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition or transfer of shares.	Article25 Every person participating in or privy to the plan for merger, demerger, acquisition or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition or transfer of shares.	Change in Article number.
Article 27 The Company participating in a merger, demerger, acquisition or transfer of shares may not arbitrarily alter the share exchange ratio or acquisition price unless under the below-listed circumstances, and shall stipulate the circumstances permitting alteration in the contract for the merger, demerger, acquisition, or transfer of shares: 1. Cash capital increase, issuance of convertible corporate bonds or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants or other equity based securities. 2. An action, such as a disposal of major assets that affects the company's financial operations. 3. An event, such as a major disaster or major change in technology that affects shareholder equity value or share price.	Article26 The Company participating in a merger, demerger, acquisition or transfer of shares may not arbitrarily alter the share exchange ratio or acquisition price unless under the below-listed circumstances, and shall stipulate the circumstances permitting alteration in the contract for the merger, demerger, acquisition, or transfer of shares: 1. Cash capital increase, issuance of convertible corporate bonds or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants or other equity based securities. 2. An action, such as a disposal of major assets that affects the company's financial operations. 3. An event, such as a major disaster or major change in technology that affects shareholder equity value or share price.	Change in Article number.

After amendment	Before amendment	Explanation
<p>4. An adjustment where any of the companies participating in the merger, demerger, acquisition or transfer of shares from another company, buys back treasury stock.</p> <p>5. An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition or transfer of shares.</p> <p>6. Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.</p>	<p>4. An adjustment where any of the companies participating in the merger, demerger, acquisition or transfer of shares from another company, buys back treasury stock.</p> <p>5. An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition or transfer of shares.</p> <p>6. Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.</p>	
<p>Article 28</p> <p>The contracts which the Company participates in a merger, demerger, acquisition or of shares shall record the rights and obligations of the companies participating in the merger, demerger, acquisition or transfer of shares, and shall also record the following:</p> <ol style="list-style-type: none"> 1. Handling of breach of contract. 2. Principles for the handling of equity-type securities previously issued or treasury stock previously bought back by any company that is to be extinct in a merger or that is demerged. 3. The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof. 4. The manner of handling changes in the number of participating entities or companies. 5. Preliminary progress schedule for plan execution, and anticipated completion date. 6. Scheduled date for convening the legally mandated shareholders meeting if the plan exceeds the deadline without completion and the relevant procedures. 	<p>Article 27</p> <p>The contracts which the Company participates in a merger, demerger, acquisition or of shares shall record the rights and obligations of the companies participating in the merger, demerger, acquisition or transfer of shares, and shall also record the following:</p> <ol style="list-style-type: none"> 1. Handling of breach of contract. 2. Principles for the handling of equity-type securities previously issued or treasury stock previously bought back by any company that is to be extinct in a merger or that is demerged. 3. The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof. 4. The manner of handling changes in the number of participating entities or companies. 5. Preliminary progress schedule for plan execution, and anticipated completion date. 6. Scheduled date for convening the legally mandated shareholders meeting if the plan exceeds the deadline without completion and the relevant procedures. 	Change in Article number.

After amendment	Before amendment	Explanation
<p>Article 29 After public disclosure of the information, if any company participating in the merger, demerger, acquisition or share transfer intends further to carry out a merger, demerger, acquisition or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders meeting has adopted a resolution authorizing the board of directors to alter the limits of authority, such participating company may be exempted from calling another shareholders meeting to resolve on the matter anew.</p>	<p>Article 28 After public disclosure of the information, if any company participating in the merger, demerger, acquisition or share transfer intends further to carry out a merger, demerger, acquisition or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders meeting has adopted a resolution authorizing the board of directors to alter the limits of authority, such participating company may be exempted from calling another shareholders meeting to resolve on the matter anew.</p>	Change in Article number.
<p>Article 30 Where any of the companies participating in a merger, demerger, acquisition or transfer of shares is not a public company, the Company shall sign an agreement with the non-public company whereby the latter is required to abide by the provisions of Article 25, Article 26 and the preceding Article.</p>	<p>Article 29 Where any of the companies participating in a merger, demerger, acquisition or transfer of shares is not a public company, the Company shall sign an agreement with the non-public company whereby the latter is required to abide by the provisions of Article 24, Article 25 and Article 28.</p>	<p>I. Change in Article number and number of article referenced herein.</p> <p>II. The wordings are amended to be in line with legal processes.</p>
<p>Article 31 Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p>	<p>Article 30 Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p>	<p>I. Change in Article number.</p> <p>II. definition of public debt is amended, with the main consideration being debt letters from</p>

After amendment	Before amendment	Explanation
<p>1. Acquisition or disposal of real property <u>or right-of-use asset</u> from or to a related party, or acquisition or disposal of assets other than real property <u>or right-of-use asset</u> from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$ 300 million or more; provided, this shall not apply to trading of <u>domestic</u> government bonds or bonds under repurchase and resale agreements, or subscription or repurchase of money market funds issued by domestic securities investment trust enterprises.</p> <p>2. Merger, demerger, acquisition or transfer of shares.</p> <p>3. Loss from derivatives trading reaching the <u>defined</u> limits on aggregate losses or losses on individual contracts <u>as</u> set out in the procedures adopted by the Company.</p> <p>4. Where the type of asset acquired or disposed is equipment/machinery <u>or right-of-use asset</u> for business use, the trading counterparty is not a related party, and the transaction amount meets any of the following criteria: <u>(1)</u> For a public company whose paid-in capital is less than NT\$ 10 billion, the transaction amount reaches NT\$ 500 million or more. <u>(2)</u> For a public company whose paid-in capital is NT\$ 10 billion or more, the transaction amount reaches NT\$ 1 billion or more.</p> <p>5. Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of</p>	<p>1. Acquisition or disposal of real property from or to a related party, or acquisition or disposal of assets other than real property from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of government bonds or bonds under repurchase and resale agreements, or subscription or repurchase of money market funds issued by domestic securities investment trust enterprises.</p> <p>2. Merger, demerger, acquisition or transfer of shares.</p> <p>3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company.</p> <p>4. Where the type of asset acquired or disposed is equipment/machinery for business use, the trading counterparty is not a related party, and the transaction amount meets any of the following criteria: <u>A.</u> For a public company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more. <u>B.</u> For a public company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.</p> <p>5. Acquisition or disposal by a public company in the construction business of real property for construction use, where the trading counterparty is not a related party, and the transaction amount is less than NT\$500 million.</p> <p>6. Where land is acquired under an arrangement on engaging others to build on the company's own land,</p>	<p>Taiwan's central and local governments being easy to access and consult, and thus does not require public announcement. Debt letters from foreign governments has no consistent standard and is not exempted by this Article, and thus the amendment clearly defines that this is limited to Taiwan's public debt only.</p> <p>III. In accordance with IFRS 16 – Leases, the right-of-use asset is incorporated into this Article.</p>

After amendment	Before amendment	Explanation
<p>ownership percentages, or joint construction and separate sale, and the amount the company expects to invest in the transaction, <u>where the trading counterparty is not a related party, is more</u> than NT\$500 million.</p> <p>6. Where an asset transaction other than any of those referred to in the preceding <u>five</u> subparagraphs, a disposal of receivables by a financial institution or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$ 300 million; provided, this shall not apply to the following circumstances:</p> <p>(1) Trading of <u>domestic</u> government bonds.</p> <p>(2) Securities trading by investment professionals on securities exchanges or over-the-counter markets, or subscription by investment professionals of ordinary corporate bonds or of general bank debentures without equity characteristics that are offered and issued in the domestic primary market (<u>does not include subordinate debts</u>), or <u>purchase or buyback of securities investment trust funds or futures trust funds</u>, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>(3) Trading of bonds under repurchase/resale agreements, or repurchase of money market funds issued by domestic securities investment trust enterprises.</p>	<p>engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the amount the company expects to invest in the transaction is less than NT\$500 million.</p> <p>7. Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$ 300 million; provided, this shall not apply to the following circumstances:</p> <p>A. Trading of government bonds.</p> <p>B. Securities trading by investment professionals on foreign or domestic securities exchanges or over-the-counter markets, or subscription by investment professionals of ordinary corporate bonds or of general bank debentures without equity characteristics that are offered and issued in the domestic primary market, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>C. Trading of bonds under repurchase/resale agreements, or repurchase of money market funds issued by domestic securities investment trust enterprises.</p> <p>The amount of transactions above shall be calculated as follows:</p>	

After amendment	Before amendment	Explanation
<p>The amount of transactions above shall be calculated as follows:</p> <ol style="list-style-type: none"> 1. The amount of any individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year. 3. The cumulative transaction amount of real property <u>or right-of-use asset</u> acquisitions and disposals (cumulative acquisitions and disposals, respectively) within the same development project within the preceding year. 4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year. <p>"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not be counted toward the transaction amount.</p> <p>The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by itself and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.</p> <p>When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the</p>	<ol style="list-style-type: none"> 1. The amount of any individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year. 3. The cumulative transaction amount of real property acquisitions and disposals (cumulative acquisitions and disposals, respectively) within the same development project within the preceding year. 4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year. <p>"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not be counted toward the transaction amount. The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by itself and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.</p> <p>When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.</p>	

After amendment	Before amendment	Explanation
<p>items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.</p> <p>The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company headquarters, where they shall be retained for 5 years except where another act provides otherwise.</p>	<p>The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company headquarters, where they shall be retained for 5 years except where another act provides otherwise.</p>	
<p>Article 32</p> <p>Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the preceding article, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days commencing immediately from the date of occurrence of the event:</p> <ol style="list-style-type: none"> 1. Change, termination, or rescission of a contract signed in regard to the original transaction. 2. The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract. 3. Change to the originally publicly announced and reported information. 	<p>Article 31</p> <p>Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the preceding article, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days commencing immediately from the date of occurrence of the event:</p> <ol style="list-style-type: none"> 1. Change, termination, or rescission of a contract signed in regard to the original transaction. 2. The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract. 3. Change to the originally publicly announced and reported information. 	<p>Change made to Article number.</p>
<p>Article 33</p> <p>Information required for public announcement and reporting in accordance with the provisions of <u>the preceding Chapter</u> on acquisitions and disposals of assets by a subsidiary of the Company that is not itself a public company in Taiwan shall be reported by the Company.</p>	<p>Article 32</p> <p>Information required for public announcement and reporting in accordance with the provisions of Chapter III on acquisitions and disposals of assets by a subsidiary of the Company that is not itself a public company in Taiwan shall be reported by the Company. The paid-in capital or total assets of the Company shall be the</p>	<p>I. Change in Article number and number of Article referenced herein.</p> <p>II. The wordings are amended to be in line</p>

After amendment	Before amendment	Explanation
The paid-in capital or total assets of the Company shall be the standard for determining whether or not a subsidiary referred to in the preceding paragraph is subject to Article 31, paragraph 1 requiring a public announcement and regulatory filing in the event the type of transaction specified therein reaches 20 percent of paid-in capital or 10 percent of the total assets.	standard for determining whether or not a subsidiary referred to in the preceding paragraph is subject to Article 30, paragraph 1 requiring a public announcement and regulatory filing in the event the type of transaction specified therein reaches 20 percent of paid-in capital or 10 percent of the total assets.	with legal processes.
<u>(Removed)</u>	<u>Article 32-1</u> Where an Audit Committee has been established by the Company in accordance with the provisions of the Securities Exchange Act, the provisions regarding independent directors set out in subparagraph 2 of paragraph 1 of Article 17 shall apply mutatis mutandis to the Audit Committee.	This clause is removed as various Articles has clearly defined supervisory duties shall be carried out by the auditing committee or independent directors of the auditing committee.
<u>Article 34</u> For the calculation of 10 percent of total assets under the Regulations, the total assets stated in the most recent parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used. In the case of a company whose shares have no par value or a par value other than NT\$ 10, for the calculation of transaction amounts of 20 percent of paid-in capital under these Regulations, 10 percent of equity attributable to owners of the parent <u>Company</u> shall be substituted. <u>For the calculation of transaction amount to NT\$ 10 billion of the paid-in capital, NT\$ 20 billion of the equity attributable to the parent Company shall be substituted.</u>	<u>Article 32-2</u> For the calculation of 10 percent of total assets under the Regulations, the total assets stated in the most recent parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used. In the case of a company whose shares have no par value or a par value other than NT\$ 10, for the calculation of transaction amounts of 20 percent of paid-in capital under these Regulations, 10 percent of equity attributable to owners of the parent shall be substituted.	I. Change in Article number. II. Clearly define Company shares that have no par value or a par value other than NT\$ 10, with regards to the calculation of paid-in capital that has reached NT\$ 10 billion in Article 31.

After amendment	Before amendment	Explanation
Article 35 The Regulations, <u>and any subsequent amendments thereto</u> , shall be enforced from the date of adoption at the shareholders meeting.	Article 33 The Regulations shall be enforced from the date of adoption at the shareholders meeting.	Change in Article number and wordings are amended.

Attachment VII

momo.com Inc.

Amendment comparison chart for the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees

After Amendment	Before Amendment	Explanation
Article 2 The Company shall comply with these Regulations when making loans and/or endorsements/guarantees for others. When <u>financial related laws and regulations</u> provide otherwise, the provisions of such <u>laws</u> shall prevail.	Article 2 The Company shall comply with these Regulations when making loans and/or endorsements/guarantees for others; When another act or regulation provides otherwise, the provisions of such act shall prevail.	According to the proviso to the current Article, “another act or regulation” refers to: When publicly traded banking, insurance, bills, securities and futures industries and other financial related businesses make loans to and endorsements / guarantees for others, relevant laws and regulations of such industry shall be applied preferentially. Editorial amendments were thus made.
Article 7 The term "announce and report" as used in the Regulations means the process of entering data to the information reporting website designated by the Financial Supervisory Commission. “Date of occurrence” in the Regulations means the date of contract signing, date of payment, dates of boards of directors resolutions, or other date <u>in which the counterparty of the loans, endorsements or guarantees, and the monetary amount can be confirmed</u> , whichever date is earlier.	Article 7 The term "announce and report" as used in the Regulations means the process of entering data to the information reporting website designated by the Financial Supervisory Commission. “Date of occurrence” in the Regulations means the date of contract signing, date of payment, dates of boards of directors resolutions, or other date that can confirm the counterparty and monetary amount of the transaction , whichever date is earlier.	Considering that loans to and endorsements / guarantees made for others are of non-transactional nature, editorial amendments were made to Paragraph 2.

After Amendment	Before Amendment	Explanation
<p>Article 8 The Company intending to loan funds to others shall formulate its Operational Procedures for Loaning Funds to Others in compliance with the Regulations, and after adoption by the <u>Board of Directors</u>, submit the Procedures to the Audit Committee and to the shareholders' meeting for approval; where any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the dissenting opinion to the Audit Committee and for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures. <u>Under the preceding Paragraph, the Company shall submit its Operational Procedures for Loaning Funds to Others for discussion by the Board of Directors, and the Board of Directors shall take into full consideration each Independent Director's opinion. Any dissenting opinions or qualified opinions of Independent Directors shall be included in the minutes of the Board of Directors' meeting.</u> <u>When the Company formulates or amends its Operational Procedures for Loaning Funds to Others, the assent of one-half or more of all Audit Committee members shall be obtained, and it shall be submitted to the Board of Directors for approval. Paragraph 2 shall not be applicable.</u> <u>In the event that assent of one-half or more of all Audit Committee members required in the preceding Paragraph is not obtained, the resolution may be adopted by two-thirds of all Directors; the resolution of the Audit Committee shall be clearly stated in the minutes of the Board of Director's meeting.</u> <u>The terms "all Audit Committee members" in Paragraph 4 and "all</u></p>	<p>Article 8 The Company intending to loan funds to others shall formulate its Operational Procedures for Loaning Funds to Others in compliance with the Regulations, and, after adoption by the board of directors, submit the Procedures to the Audit Committee and to the shareholders' meeting for approval; where any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the dissenting opinion to the Audit Committee and for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures. Where the Company has established the position of independent director, the Company submits its Operational Procedures for Loaning Funds to Others for discussion by the board of directors under the preceding paragraph, the board of directors shall take into full consideration each independent director's opinion; independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the board of directors' meeting.</p>	<p>Editorial amendments were made to Paragraph 2 by referring to Article 14-3 of the Securities and Exchange Act. In addition, according to Article 14-5 of the Securities and Exchange Act, the authority of the Audit Committee shall include formulation or amendment of handling procedures for financial or operational actions of material significance, such as loaning of funds to others. Paragraphs 3 to 5 were thus added.</p>

After Amendment	Before Amendment	Explanation
<u>Directors" in the preceding Paragraph shall be based on the actual number of persons currently holding those positions.</u>		
<p>Article 9 The Company shall specify the following matters in its Operational Procedures for Loaning Funds to Others, <u>and they shall be handled in accordance with these Operational Procedures:</u></p> <ol style="list-style-type: none"> <u>Counterparties</u> to which the company may loan funds: <u>Restricted to the counterparties</u> discussed in Article 3 of the Regulations. Evaluation standards for loaning funds to others: <ol style="list-style-type: none"> Funds loaned for reasons of business dealings: The individual amount of loans may not exceed the amount of business dealings in the last year. The so-called business dealing refers to the expenses of goods and services between the two parties or the amount of sale income and service income, whichever is higher. Where short-term financing is needed, the reasons and conditions <u>for</u> extending loans shall be limited to the following: <ol style="list-style-type: none"> The Company owns 50% of the shares of the <u>company</u> and short-term <u>financing is necessary</u> due to business needs. Other parties approved <u>by the Company's Board of Directors</u>. The aggregate amount of funds of loans and ceilings on the amount for individual <u>counterparties</u>: <ol style="list-style-type: none"> The aggregate amount of loans, including the business dealings and short-term financing, is 	<p>Article 9 The Company shall specify the following matters in its Operational Procedures for Loaning Funds to Others:</p> <ol style="list-style-type: none"> Entities to which the company may loan funds Restricted to the parties discussed in Article 3 of the Regulations. Evaluation standards for loaning funds to others: <ol style="list-style-type: none"> Funds loaned for reasons of business dealings: The individual amount of loans may not exceed the amount of business dealings in the last year. The so-called business dealing refers to the expenses of goods and services between the two parties or the amount of sale income and service income, whichever is higher. Where short-term financing is needed, the reasons for and conditions of extending loans shall be limited to the following conditions: <ol style="list-style-type: none"> The Company owns 50% of the shares of the companies and those deemed necessary for short-term financial due to business needs. Other parties approved by the Company's board of directors The aggregate amount of funds of loans and ceilings on the amount for individual entities <ol style="list-style-type: none"> The aggregate amount of loans, including the business dealings and short-term financing, is limited to 20% of the shareholder's equity of the 	<p>To be precise, the preamble of the current Article was amended to state that the loaning of funds by a public company shall be handled in accordance with such company's Operational Procedures.</p>

After Amendment	Before Amendment	Explanation
<p>limited to 20% of the shareholder's equity of the Company.</p> <p>(2) Aggregate amount of loans for the Company and short-term financing and ceilings on the amount of individual <u>counterparties</u>:</p> <p><u>i.</u> Companies or firms having business dealings with the Company: <u>The</u> aggregate amount of loans is limited to 20% of the shareholder's equity of the Company while the individual amount of loans may not exceed the amount of business dealings between the two parties. The so-called business dealings are prescribed in the amount in aforementioned paragraph.</p> <p><u>ii.</u> Companies or firms with needs for short-term financing support from the Company: The aggregate amount of loans may not exceed 20% of the shareholder's equity of the Company, while the individual loan amount may not exceed 10% of the shareholder's equity.</p> <p>4. Duration of loans and calculation of interest:</p> <p>(1) Duration of loans: The duration of each loan commences from the date of release and is to be one year or less.</p> <p>(2) Calculation of interests: The interest rate for the loan may not fall below the highest interest rate <u>with</u> which the Company borrows short-term loans from financial institutions. <u>Interest</u> on the loan is to be paid monthly. In</p>	<p>Company.</p> <p>(2) Aggregate amount of loans for the Company and short-term financing and ceilings on the amount of individual entity:</p> <p>1. Companies or firms having business dealings with the Company: the aggregate amount of loans is limited to 20% of the shareholder's equity of the Company while the individual amount of loan may not exceed the amount of business dealings between the two parties. The so-called business dealing is prescribed in the amount in aforementioned paragraph.</p> <p>2. Companies or firms with needs for short-term financing support from the Company: The aggregate amount of loan may not exceed 20% of the shareholder's equity of the Company, while the individual loan amount may not exceed 10% of the shareholder's equity.</p> <p>4. Duration of loans and calculation of interest</p> <p>(1) Duration of loans: The duration of each loan commences from the date of release and is to be one year or less.</p> <p>(2) Calculation of interests: The interest rate for the loan may not fall below the highest interests rate which the Company borrows short-term loans from financial institutions. The interests on the loan is to be paid monthly. In special circumstances, frequency of payments may be adjusted , pending approval by the board of directors.</p> <p>5. Procedures for handling loans of funds</p>	

After Amendment	Before Amendment	Explanation
<p>special circumstances, frequency of payments may be adjusted, pending approval by the <u>Board of Directors</u>.</p> <p>5. Procedures for handling loans of funds: The applicant shall <u>submit a</u> financing application form that includes details on the amount of loans, duration, purpose, conditions of collateral and other necessary information pursuant to the Company's regulations. The loan applicant shall provide basic information and financial data for <u>evaluation by the Company's Financial & Accounting Division</u>. <u>Evaluation</u> results shall be submitted to the <u>Board of Directors</u> for review and approval.</p> <p>6. Procedures of loan application review: The review of the loan application includes the following items: (1) The necessity and reasonableness of the loan. (2) Borrower's credit status and risk assessment. (3) Impact on the Company's business risk, financial condition and shareholders' equity. (4) Whether <u>obtaining a collateral</u> is necessary and <u>estimated</u> value of <u>such collateral</u>.</p> <p>7. The announcing and reporting procedures: Shall comply with <u>Section 1</u>, Chapter 4 of the Regulations.</p> <p>8. Management of outstanding loans and procedures for handling <u>overdue claims</u>: (1) The Company shall frequently observe the financial, business and credit conditions of the borrower and the guarantor after the release of loans. In the case of</p>	<p>The applicant shall submit a financing application form that includes details on the amount of loan, duration, purpose, conditions of collateral and other necessary information pursuant to the Company regulations. The loan applicant shall provide basic information and financial data for evaluation by the Company's Accounting and Financing Department. The Appraisal results will be submitted to the board of directors for review and approval.</p> <p>6. Procedures of loan application review The review of the loan application include the follow items: (1) The necessity and reasonableness of the loan (2) Borrower's credit status and risk assessment. (3) Impact on the Company's business risk, financial condition and shareholders' equity. (4) Whether collateral is necessary and appraised value of the collateral obtained</p> <p>7. The announcing and reporting procedures Shall comply with section 1, Chapter 4 of the Regulations.</p> <p>8. Management of outstanding loans and procedures for handling delinquent creditor's rights. (1) The Company shall frequently observe the financial, business and credit conditions of the borrower and the guarantor after the release of loans. In the case of collateral, the Company shall observe for any change in the value of the collateral and in the event of a major change, the Company shall immediately report to the Chairman for</p>	

After Amendment	Before Amendment	Explanation
<p>collateral, the Company shall observe for any change in the value of the collateral and in the event of a major change, the Company shall immediately report to the Chairman for instructions on proper handling.</p> <p>(2) <u>If the Company has called in for overdue claims</u> with a written notice of at least 15 days, the Company shall petition for a court ruling. If in possession of cashier's check or other collaterals, the cashier's check is to be deposited and/or the collateral to be disposed.</p> <p>(3) The borrower shall pay off the capital and interest upon the expiration of the loan and may not request for extension.</p> <p>9. The internal process shall apply to relevant personnel in violation of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees" or the Procedures.</p> <p>10. Procedures for controlling and managing endorsements/guarantees by subsidiaries:</p> <p>(1) The internal auditors of the Company shall routinely prepare the audit reports and monitor the status of endorsements / guarantees made by the subsidiary to others and routinely audit the compliance to the Operational Procedures for Endorsements / Guarantees by the subsidiary.</p> <p>(2) The subsidiaries shall prepare the details of the outstanding loans before the 10th day of each month and report to the Company.</p> <p>(3) The subsidiaries shall announce and report in accordance with the provisions prescribed in Article 22.</p>	<p>instructions on proper handling.</p> <p>(2) For delinquent debt which the Company has called in with a written notice of at least 15 days, the Company shall petition for a court ruling. If in in possession of of cashier's check or other collaterals, the cashier's check is to be deposited (提示???) and/or the collateral to be disposed.</p> <p>(3) The borrower shall pay off the capital and interest upon the expiration of the loan and may not request for extension.</p> <p>9. The internal process shall apply to relevant personnel in violation of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees" or the Procedures.</p> <p>10. Procedures for controlling and managing endorsements/guarantees by subsidiaries</p> <p>(1) The internal auditors of the Company shall routinely prepare the audit reports and monitor the status of endorsements/guarantees made by the subsidiary to others and routinely audit the compliance to the Operational Procedures for Endorsements/Guarantees by the subsidiary.</p> <p>(2) The subsidiaries shall prepare the details of the outstanding loans before the 10th day of each month and report to the Company.</p> <p>(3) The subsidiaries shall announce and report in accordance with the provisions prescribed in Article 22.</p>	

After Amendment	Before Amendment	Explanation
<p>Article 11 The Operational Procedures for Endorsements/Guarantees formulated by the Company, upon the adoption by the board of directors, shall be submitted to the Audit Committee and Shareholders meeting for approval. Where there is any director expressing dissent and it is contained in the minutes or a written statement, the company shall submit the dissenting opinions to the Audit Committee and for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures. Where the Company has established the position of Independent Directors, when it submits the Operational Procedures for Endorsements/Guarantees for discussion by the <u>Board of Directors</u> pursuant to the preceding paragraph, the <u>Board of Directors</u> shall take into full consideration each Independent Director's opinions. <u>Any dissenting opinions or qualified opinions of Independent Directors shall be included in the minutes of the Board of Directors' meeting.</u> <u>Paragraphs 3 to 5 of Article 8 shall apply mutatis mutandis to the Company's formulation or amendment of its Operational Procedures for Endorsements/Guarantees.</u></p>	<p>Article 11 The Operational Procedures for Endorsements/Guarantees formulated by the Company, upon the adoption by the board of directors, shall be submitted to the Audit Committee and Shareholders meeting for approval. Where there is any director expressing dissent and it is contained in the minutes or a written statement, the company shall submit the dissenting opinions to the Audit Committee and for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures. Where The Company has established the position of independent director, when it submits the Operational Procedures for Endorsements/Guarantees for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into full consideration of each independent director's opinions; the independent directors' opinions specifically expressing assent or dissent and the reasons for dissent shall be included in the minutes of the board of directors' meeting.</p>	<p>Editorial amendments were made to Paragraph 2 by referring to Article 14-3 of the Securities and Exchange Act. In addition, according to Article 14-5 of the Securities and Exchange Act, the authority of the Audit Committee shall include formulation or amendment of handling procedures for financial or operational actions of material significance, such as making of endorsements or guarantees for others. Paragraph 3 was thus added.</p>
<p>Article 12 The Company's Operational Procedures for Endorsements/Guarantees are as follows, <u>and shall be handled in accordance with these Operational Procedures:</u> 1. <u>Counterparties towards</u> which the company may make endorsements/guarantees <u>shall be limited to counterparties</u> prescribed in Article 5 of the Regulations. 2. Where an endorsement/guarantee is</p>	<p>Article 12 The Company's Operational Procedures for Endorsements/Guarantees is as follows: 1. Entities for which the company may make endorsements/guarantees is limited to subjects prescribed in Article 5 of the Regulations. 2. Where an endorsement/guarantee is made due to needs arising from business dealings, evaluation standards shall be specified for</p>	<p>To be precise, the preamble of Paragraph 1 was amended to state that the endorsements or guarantees made by a public company shall be handled in accordance with such company's</p>

After Amendment	Before Amendment	Explanation
<p>made due to needs arising from business dealings, evaluation standards shall be specified for determining whether the amount of an endorsement/guarantee is commensurate with the aggregate amount of <u>business dealings</u> for the two companies, and should not exceed <u>this</u> amount.</p> <p>The <u>amount of business dealings</u> should be subject to <u>limitations</u> in accordance with the provisions set forth in <u>Paragraph 2</u>, Article 9.</p> <p>3. Aggregate amount of endorsements/guarantees and the maximum amount for an individual <u>counterparty</u>:</p> <p>(1) The aggregate amount of <u>endorsements/guarantees</u> made by the <u>Company</u> may not exceed the value of <u>its</u> shareholder's equity.</p> <p>(2) Regarding the aggregate amount of endorsement/guarantee made by the Company and the maximum allowable amount for an individual <u>counterparty</u>:</p> <p>i. Companies <u>with</u> which the Company <u>has business dealings</u>: The aggregate amount of endorsement may not exceed the net worth of the Company while the amount for individual <u>counterparties</u> may not exceed the amount of business dealings.</p> <p>ii. <u>Companies in which the</u> Company directly <u>or</u> indirectly holds more than 50 percent of the voting shares: The aggregate amount of endorsement/guarantee shall not exceed the value of the shareholder's equity of the Company while the amount for</p>	<p>determining whether the amount of an endorsement/guarantee is commensurate with the aggregate amount of trading for the two companies and should not exceed the amount of trading between the two companies.</p> <p>The aggre amount of trading should be subject to limitation of in accordance with the provisions set forth in Article 2 of Article 9.</p> <p>3. Aggregate amount of endorsements/guarantees and the maximum amount for an individual entity</p> <p>(1) The aggregate amount of endorsement/guarantee made by the company may not exceed the value of shareholder's equity of the Company.</p> <p>(2) Regarding the aggregate amount of endorsement/guarantee made by the Company and the maximum allowable amount for an individual entity:</p> <p>1. Companies which the Company does business: The aggregate amount of endorsement may not exceed the net worth of the Company while the amount for individual entity may not exceed the amount of business dealings.</p> <p>2. The Company directly and indirectly holds more than 50 percent of the voting shares in the subsidiary: The aggregate amount of endorsement/guarantee shall not exceed the value of the shareholder's equity of the Company while the amount for an individual entity shall not exceed the aggregate amount invested. Nonetheless the companies for which the</p>	<p>Operational Procedures.</p>

After Amendment	Before Amendment	Explanation
<p>an individual <u>counterparty</u> shall not exceed the aggregate amount invested. Nonetheless the companies for which the Company holds 100% direct or indirect voting shares, the amount of individual endorsement/guarantee may not exceed 200% of the investment amount for.</p> <p>(3) Regarding the aggregate amount on the endorsement/guarantee of the Company and the subsidiaries and the maximum amount of endorsement/guarantee for individual <u>counterparties</u>:</p> <p>i. <u>Companies with which the Company has business dealings</u>: The aggregate amount of <u>endorsements</u> may not exceed the net value of the shareholder's <u>equity</u> of the Company while the amount for an individual <u>counterparty</u> may not exceed the amount of business dealings with the Company and the subsidiaries.</p> <p>ii. <u>Companies in which the Company directly and indirectly holds more than 50 percent of the voting shares</u>: The aggregate amount of <u>endorsements/guarantees</u> shall not exceed the net shareholder's equity of the Company, while <u>for the individual counterparty</u>, the amount shall not exceed the amount invested by the Company and the subsidiaries. Nonetheless, <u>for companies in which the Company holds 100% direct or indirect voting shares, it</u> may not exceed 200% of the investment amount made</p>	<p>Company holds 100% direct or indirect voting shares, the amount of individual endorsement/guarantee may not exceed 200% of the investment amount for.</p> <p>(3) Regarding the aggregate amount on the endorsement/guarantee of the Company and the subsidiaries and the maximum amount of endorsement/guarantee for individual <u>entities</u>:</p> <p>1. For companies which the Company does business with: The aggregate amount of endorsement may not exceed the net value of the shareholder's equity of the Company while the amount for an individual entity may not exceed the amount of business dealings with the Company and the subsidiaries.</p> <p>2. For subsidiaries where the Company directly and indirectly holds more than 50 percent of the voting shares: The aggregate amount of endorsement/guarantee shall not exceed the net shareholder's equity of the Company while the amount for individual entity shall not exceed the amount invested by the Company and the subsidiaries. Nonetheless the companies for which the Company holds direct or indirect 100% voting shares may not exceed 200% of the investment amount made by the Company and the subsidiaries.</p> <p>3. For subsidiaries where the Company directly and indirectly holds more than 90</p>	

After Amendment	Before Amendment	Explanation
<p>by the Company and the subsidiaries.</p> <p>iii. For <u>companies in which the Company directly and indirectly holds more than 90 percent of the voting shares, the Company may make endorsements/guarantees where the amount may not exceed 10% of its net shareholder's equity. Nonetheless, companies in which the Company holds 100% direct or indirect voting shares are excluded.</u></p> <p>When the aggregate amount of endorsements/guarantees for the Company and/or a subsidiary reaches fifty percent of the company's shareholder's equity the Company and/or a subsidiary shall explain the necessity and reasonableness of the aggregate amount of endorsements/guarantees at the shareholders' meeting.</p> <p>4. Procedures for making endorsements/guarantees: The applying company shall complete and submit the "Endorsement/Guarantee Application" form to the <u>Company. The Company's person in charge shall comply with the review procedures stipulated in this Article, and the application shall undergo evaluation and obtain approval by senior management before being processed.</u></p> <p>5. Detailed review procedures: <u>Matters to be evaluated for endorsements/guarantees shall include:</u></p> <p>(1) The necessity of and reasonableness of endorsements/guarantees.</p> <p>(2) Credit status and risk assessment</p>	<p>percent of the voting shares, the subsidiary may make endorsement/guarantee where the amount may not exceed 10% of the net shareholder's equity of the Company.</p> <p>Nonetheless the companies which the Company holds 100% direct or indirect voting shares are excluded.</p> <p>When the aggregate amount of endorsements/guarantees for the Company and/or a subsidiary reaches fifty percent of the company's shareholder's equity the Company and/or a subsidiary shall explain the necessity and reasonableness of the aggregate amount of endorsements/guarantees at the shareholders meeting.</p> <p>4. Procedures for making endorsements/guarantees The applying company shall complete and submit the "Endorsement/Guarantee Application" form company and the persons in charge of the applications shall comply with the review procedures, and the necessary evaluation and approval process for The Company before processing the application.</p> <p>5. Detailed review procedures for matters of endorsements/guarantees evaluation, including:</p> <p>(1) The necessity of and reasonableness of endorsements/guarantees</p> <p>(2) Credit status and risk assessment of the entity for which the endorsement/guarantee is made</p> <p>(3) The impact on the Company's business operations, financial condition, and shareholders' equity</p>	

After Amendment	Before Amendment	Explanation
<p>of the <u>counterparty</u> for which the endorsement/guarantee is made.</p> <p>(3) The impact on the Company's business operations, financial condition, and shareholders' equity.</p> <p>(4) Whether <u>a</u> collateral must be obtained and the <u>estimated</u> value of the collateral.</p> <p>6. Procedures for controlling and managing endorsements/guarantees by subsidiaries: The internal auditors of the Company shall routinely <u>prepare</u> audit reports and understand the status of endorsements/guarantees made by the subsidiary to others. The internal auditors of the Company shall routinely audit the compliance to the Operational Procedures for Endorsements/Guarantees by the subsidiary.</p> <p>7. Procedures for use and custody of corporate seal: The Company shall use the corporate seal registered with the Ministry of Economic Affairs as the dedicated seal for endorsements/guarantees. The seal shall be kept in the custody of a designated person approved by the <u>Board of Directors</u> and may be used as the official seal to issue negotiable instruments only in prescribed procedures. When making a guarantee for a foreign company, the Company shall have the Guarantee Agreement signed by a person authorized by the <u>Board of Directors</u>.</p> <p>8. <u>Decision making and authorization:</u> Endorsements/guarantees made <u>for others</u> shall be first resolved and <u>approved</u> by the <u>Board of Directors</u>.</p> <p>9. The announcing and reporting procedures shall comply with <u>Section 2, Chapter 4 of the Regulations</u>.</p>	<p>(4) Whether collateral must be obtained and the appraised value of the collateral</p> <p>6. Procedures for controlling and managing endorsements/guarantees by subsidiaries The internal auditors of the Company shall routinely preparing audit reports and understand the status of endorsements/guarantees made by the subsidiary to others. The internal auditors of the Company shall routinely audit the compliance to the Operational Procedures for Endorsements/Guarantees by the subsidiary.</p> <p>7. Procedures for use and custody of corporate seal The Company shall use the corporate seal registered with the Ministry of Economic Affairs as the dedicated seal for endorsements/guarantees. The seal shall be kept in the custody of a designated person approved by the board of directors and may be used as the official seal to issue negotiable instruments only in prescribed procedures. When making a guarantee for a foreign company, the Company shall have the Guarantee Agreement signed by a person authorized by the board of directors.</p> <p>8. Endorsements/guarantees made by hierarchy of decision-making authority and delegation thereof shall be first resolved and adopted by the board of directors.</p> <p>9. The announcing and reporting procedures shall comply with section 2, Chapter 4 of the Regulations.</p> <p>10. The internal process shall apply to relevant personnel in violation of the “Regulations Governing Loaning of Funds and Making of Endorsements / Guarantees” or the Procedures.</p>	

After Amendment	Before Amendment	Explanation
<p>10. The internal process shall apply to relevant personnel in violation of the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees” or the <u>Operational</u> Procedures.</p> <p>11. For circumstances in which a <u>counterparty</u> for which the company makes any endorsement/guarantee is a subsidiary whose net worth is lower than half of its paid-in capital, the endorsed/guaranteed subsidiary shall formulate and submit improvement <u>plans</u> to the Audit Committee of the Company, <u>and</u> complete the improvement <u>plans</u> according to the timeframe set forth.</p> <p>When a subsidiary with shares having no par value or a par value other than NT\$ 10, for the paid-in capital in the calculation under subparagraph 11 of the preceding paragraph, the sum of the share capital plus paid-in capital in excess of par shall be substituted.</p>	<p>11. For circumstances in which an entity for which the company makes any endorsement/guarantee is a subsidiary whose net worth is lower than half of its paid-in capital, the endorsed/guaranteed subsidiary shall formulate and submit a improvement plan to the Audit Committee of the Company, to complete the improvement plan according to the timeframe set forth.</p> <p>When a subsidiary with shares having no par value or a par value other than NT\$ 10, for the paid-in capital in the calculation under subparagraph 11 of the preceding paragraph, the sum of the share capital plus paid-in capital in excess of par shall be substituted.</p>	
<p>Article 25 <u>When</u> balance of endorsements/guarantees reaches one of the following levels, <u>such event shall be announced and reported</u> within two days commencing immediately from the date of occurrence:</p> <p>1. The aggregate balance of endorsements/guarantees by the Company and its subsidiaries reaches 50 percent or more of the Company's net worth as stated in its latest financial statement.</p> <p>2. The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches 20 percent or more of the Company's net worth as stated in its latest financial statement.</p>	<p>Article 25 The Company which balance of endorsements/guarantees reaches one of the following levels shall announce and report such event within two days commencing immediately from the date of occurrence:</p> <p>1. The aggregate balance of endorsements/guarantees by the Company and its subsidiaries reaches 50 percent or more of the Company's net worth as stated in its latest financial statement.</p> <p>2. The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches 20 percent or more of the Company's net worth as stated in its latest financial statement.</p>	<p>To specify the definition of long-term investment, Subparagraph 3 of Paragraph 1 was amended by referring to Subparagraph 1, Paragraph 4, Article 9 of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.</p>

After Amendment	Before Amendment	Explanation
<p>3. The balance of endorsements / guarantees by the Company and its subsidiaries for a single enterprise reaches NT\$ 10 million or more, and the aggregate amount of all endorsements/guarantees, <u>the book value of investments calculated using the equity method</u>, and balance of loans <u>made</u> to such enterprise <u>reach</u> 30 percent or more of the Company's net worth as stated in its latest financial statement.</p> <p>4. The amount of new endorsements / guarantees made by the Company or its subsidiaries reaches NT\$ 30 million or more, and reaches 5 percent or more of the Company's net worth as stated in its latest financial statement.</p> <p>The Company shall announce and report on behalf of any subsidiary thereof that is not a public company of the Republic of China any matters that such subsidiary is required to announce and report pursuant to subparagraph 4 of the preceding paragraph.</p>	<p>3. The balance of endorsements / guarantees by the Company and its subsidiaries for a single enterprise reaches NT\$ 10 million or more and the aggregate amount of all endorsements/guarantees for, investment of a long-term nature in, and balance of loans to, such enterprise reaches 30 percent or more of the Company's net worth as stated in its latest financial statement.</p> <p>4. The amount of new endorsements / guarantees made by the Company or its subsidiaries reaches NT\$ 30 million or more, and reaches 5 percent or more of the Company's net worth as stated in its latest financial statement.</p> <p>The Company shall announce and report on behalf of any subsidiary thereof that is not a public company of the Republic of China any matters that such subsidiary is required to announce and report pursuant to subparagraph 4 of the preceding paragraph.</p>	

Attachment VIII

momo.com Inc.

Procedures for Elections of Directors and Supervisors

Article 1: To ensure a just, fair and open election of directors and supervisors, these Procedures are adopted pursuant to Articles 21 and 41 of the “Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies.”

Article 2: Except as otherwise provided by laws and regulations or by the articles of incorporation of the Company, elections of directors and supervisors shall be conducted in accordance with these Procedures.

Article 3: The overall composition of the board of directors shall be taken into consideration in the selection of this Company’s directors. The composition of the board of directors shall be determined in general by the knowledge, skills and qualities required for performing the duties. The overall abilities advised for the directors include the following:

1. The ability to make judgments about operations.
2. Accounting and financial analysis ability.
3. Business management ability.
4. Crisis management ability.
5. Knowledge of the industry.
6. International market perspectives.
7. Leadership ability.
8. Decision-making ability.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

Article 4: Supervisors of the Company shall meet the following qualifications:

1. Integrity and a practical attitude.
2. Impartial judgment.
3. Professional knowledge.
4. Broad experience.
5. Ability to read financial statements.

The appointments of supervisors shall be made with reference to the provisions on the independence contained in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, in order to select appropriate supervisors to help strengthen the Company’s risk management and control of finance and operations. At least one supervisor position or one director position must be held by a person having neither a spousal relationship nor a relationship within the second degree of kinship with any other supervisor or with any director. A supervisor may not serve concurrently as the director, managerial officer, or any other employee of the Company and must be domiciled in the Republic of China to be able to promptly fulfill the functions of supervisor.

Article 5: The qualifications for the independent directors of the Company shall comply with Articles 2, 3 and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The election of independent directors of the Company shall comply with Articles 5, 6, 7, 8 and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies.

Article 6: Elections of directors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. When the number of directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next shareholders meeting. But when the number of directors falls short by one third of the total number prescribed in the Company's articles of incorporation, the Company shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the proviso of Article 14-2, a by-election shall be held at the next shareholders meeting to fill the vacancy. When all independent directors are dismissed, a special shareholder meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the supervisors are dismissed for any reason which leads to the number of supervisors falling below the provisions prescribed in the Company's article of incorporation, the Company shall hold a by-election to fill the vacancy at its next shareholders meeting. Nonetheless when all supervisors are dismissed, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

Article 7: The cumulative voting method shall be used for election of the directors and supervisors at the Company. Each share will have voting rights in number equal to the directors or supervisors to be elected and may be cast for a single candidate or split among multiple candidates.

Article 8: The board of directors shall prepare ballots for directors and supervisors in number of weights corresponding to the directors or supervisors to be elected, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 9: The number of directors and supervisors will be specified in the Company's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chairman drawing lots on behalf of any person(s) not in attendance.

Article 10: Before the election begins, the chairman shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 11: If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder, and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.

Article 12: A ballot is invalid under any of the following circumstances:

1. The ballot was not prepared by the board of directors.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable or has been altered.
4. The candidate whose name entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.
5. Other words or marks are entered in addition to the candidate's account name (name) or the shareholder account number (identity card number) and the number of voting rights allotted.
6. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot for identification of such individual.

Article 13: The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation and the list of persons elected as directors or supervisors shall be announced by the chairman on the site.

Article 14: The board of directors of the Company shall issue notifications to the persons elected as directors or supervisors.

Article 15: These Procedures shall be implemented after the approval by a shareholders meeting. The same procedures apply to any revision.

Attachment IX

Other concurrent position of Directors

Name	Company where concurrent position is held	Position
Chris Tsai	Fubon Ellipse(Belgium) S.A.	Director
	Bow Bells House(Jersey) Limited	Director
	Fubon Ellipse(Jersey) Limited	Director
	Carter Lane(Guernsey) Limited	Director
	Fubon Financial Holding Venture Capital Corp.	Director
	Fubon Sports & Entertainment Co., Ltd.	Director and President
	Fubon Stadium Co., Ltd.	Director and President
	Fubon Life Insurance Co., Ltd.	Assistant Vice President
	Fubon Hospitality Management Co., Ltd.	Director
	Teng Fu Bo Investment Limited	Vice Chairman
	Wise Road Asset Management Ltd.	Director
Jamie Lin	Taiwan Digital Service Co., Ltd.	Chairman
	Taiwan Teleservices & Technologies Co., Ltd.	Chairman
	Win TV Broadcasting Co., Ltd.	Chairman
	Taiwan Kuro Times Co., Ltd.	Chairman
	Yeong Jia Leh Cable TV Co., Ltd.	Chairman
	Phoenix Cable TV Co., Ltd.	Chairman
	Union Cable TV Co., Ltd.	Chairman
	Globalview CATV Co., Ltd.	Chairman
	Global Wealth Media technology Co., Ltd.	Chairman and Director
	Global Forest Media technology Co., Ltd.	Chairman and Director
	Appworks Ventures Co., Ltd.	Chairman
	Appworks Fund I Co., Ltd.	Chairman
	Appworks Fund II Co., Ltd.	Chairman
	Appworks Fund III Co., Ltd.	Chairman

Name	Company where concurrent position is held	Position
Jamie Lin	Appworks Capital Co., Ltd.	Chairman
	Wealth Media Technology Co., Ltd.	Director and President
	TFN Media Co., Ltd.	Director and President
	Taiwan Cellular Co., Ltd.	Director and President
	Taihsin Property Insurance Agent Co., Ltd.	Director
	Taipei New Horizon Co., Ltd.	Director
	TWM Holding Co., Ltd.	Director
	Morning Wind Investment Co., Ltd.	Director
	Chenxi Investment Co., Ltd.	Director
	Winbond Electronics Corp.	Director
	91App, Inc.	Director
	Intowow Innovation Limited	Director
	EMQ Inc.	Director
	Pickone Inc.	Director
	Taiwan Mobile Co., Ltd.	Director and President
	Taiwan Fixed Network Co., Ltd.	President
	TCC Investment Co., Ltd.	President
SHIN SEONGBIN	WOORI HOMESHOPPING CO., LTD.	Vice president of Planning Division
Chieh Wang	Conti Invest Co., Ltd.	Chairman
	PAI PAI Enterprise Co., Ltd.	Chairman
	Enjoy Records Co., Ltd.	Chairman
	Guang International Cultural Creative Co., Ltd.	Chairman
	Digiflow Company Limited	Chairman
	China United Insurance Group Company Limited	Independent director

Appendix

Directors' Shareholdings

March 18, 2019

Title	Name	Shareholding on final day for stock transfer	Percentage of total issued share capital (%) (Note 3)
Chairman	Wealth Media Technology Co., Ltd. Representative: C. F. Lin	63,047,205	45.01%
Director	Wealth Media Technology Co., Ltd. Representative: James Jeng	63,047,205	45.01%
Director	Wealth Media Technology Co., Ltd. Representative: Chris Tsai	63,047,205	45.01%
Director	Wealth Media Technology Co., Ltd. Representative: Summer Hsieh	63,047,205	45.01%
Director	Tong-An Investment Co., Ltd. Representative: Mao-Hsiung Huang	15,470,000	11.05%
Director	WOORI HOMESHOPPING CO., LTD. Representative: OH KABRYEOL	14,014,000	10.01%
Independent Director	Yi-Hong Hsieh	0	0%
Independent Director	Hong-So Chen	0	0%
Directors' Total Shareholding: 92,531,205 shares, which accounts for 66.07% of the total issued share capital.			

Notes: 1. According to Article 26 of the Securities and Exchange Act, the sum of registered shares owned by this company's board of directors cannot be less than 6% of the company's total number of shares issued (8,403,510 shares).

2. As an audit committee has been set up in the company, there is no application of minimum number of shares to be held by supervisors.

3. As a percentage of total issued share capital = shares held ÷ total number of shares

This shareholders meeting is proposed to discuss the effects of stock dividends on the company's operating performance, earning per share, and return on shareholder's equity.

This is not applicable as the company plans to distribute cash dividend in full.

momo.com Inc.
Articles of Incorporation (prior to the proposed revision)

CHAPTER 1. GENERAL PROVISIONS

Article 1. Fubon Multimedia Technology. Co., Ltd, trading under “momo.com Inc.” (hereinafter referred to as “the Company”), is incorporated in accordance with the Company Act.

Article 2. The scope of business of the Company is as follows:

1. J503020 Television Production
2. J503010 Broadcast Production
3. J503030 Broadcasting and Television Program Distribution
4. J503040 Broadcasting and Television Commercial
5. J503050 Video Program Distribution
6. F108031 Wholesale of Medical Equipment
7. F208031 Retail Sale of Medical Equipment
8. F208021 Retail Sale of Drugs and Medicine
9. F208011 Retail Sale of Chinese Medicine
10. F108021 Wholesale of Drugs and Medicine
11. F108011 Wholesale of Chinese Medicine
12. F401161 Tobacco Products Import
13. F401171 Alcohol Drink Import
14. J506021 Satellite Broadcasting Television Program Supplier
15. F203020 Retail Sale of Tobacco and Alcoholic Beverages
16. I301040 The third party payment
17. G902011 Type II Telecommunications Enterprise
18. G801010 Warehousing and Storage
19. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval

Article 3. The company’s headquarter is located in Taipei, Taiwan, and may establish domestic and/or overseas branch offices at appropriate locations when necessary. The establishment and closure of offices shall be decided by the board of directors.

Article 4. Public notices of the Company are handled in accordance with Article 28 of the Company Act and other relevant laws and regulations.

CHAPTER 2. SHARES

Article 5. The authorized capital of the Company is NT \$2 billion, representing 200 million common shares at a par value of NT \$10 per share. The board of directors is authorized to issue the unissued shares in installments. NT \$50 million of the aforementioned capital is reserved as 5 million shares worth of stock subscription warrants, to be issued to employees in installments pursuant to the resolution by the board of directors.

- Article 6. The Company is not restricted by Article 13 of the Company Act, which stipulates that the total of its investments in subsidiaries shall not exceed forty percent of the amount of its own paid-up capital.
- Article 7. All shares of the Company are registered shares. Share certificates are assigned with serial numbers and affixed with the signatures or personal seals of three or more directors of the Company, and duly certified or authenticated by the competent authority or a certifying institution appointed by the competent authority before issuance.
- For the shares to be issued to the public by a company, the issuing company may be exempted from printing any physical share certificate for the shares issued.
- For the shares to be issued in accordance with the provision of the preceding Paragraph, the issuing company shall appoint a custodian institution for the recordation of the issuance of such shares.
- Article 8. The entries in the shareholders' list referred to in the preceding paragraph shall not be altered and all transfer of shares shall be suspended 30 days prior to the meeting date of the annual general shareholders' meeting, 15 days prior to the meeting date of the special shareholders' meeting, and five days prior to the target date fixed by the Company for distribution of dividend, bonus, or other benefits.
- Once the Company's shares are issued to the public, all transfer of shares are suspended 60 days prior to the meeting date of the general shareholders' meeting, 30 days prior to the meeting date of the special shareholders' meeting, and five days prior to the date of distribution of dividend, bonus, or other benefits.
- Article 9. Once the Company's shares are issued to the public, all shares are handled in accordance with the regulations stipulated in the Regulations Governing the Administration of Shareholder Services of Public Companies unless otherwise stipulated in other laws or regulations.
- Article 10. Once the Company's shares are issued to the public, the exercise price for employee stock subscription warrants that are listed on the emerging board, or are neither listed on an exchange nor traded over-the-counter (OTC) at securities firms, may be lower than its net value per share as reported and be verified and certified by the accountant, in the financial reports for the most recent fiscal period. After the company becomes an exchange-listed or OTC-listed company, the exercise price of stock subscription warrants for employees that are issued by the Company, may be lower than the closing price of the Company's common shares as of the issuing date. However, the issuance of the preceding stock subscription warrants to employees must obtain the consent of at least two-thirds of the voting rights represented at a shareholders' meeting attended by shareholders representing a majority of the total issued shares.
- Article 11. Once the Company becomes an exchange-listed or OTC-listed company, repurchased treasury shares may be transferred to company employees at a transfer price lower than the average repurchase price pursuant to relevant regulations and the resolution by the most recent shareholders' meeting.

CHAPTER 3. SHAREHOLDERS' MEETING

- Article 12. Once the Company's shares are issued to the public, a notice to convene a general/special shareholders' meeting shall be given to the shareholders thirty/fifteen days in advance. The notice shall indicate the meeting date, meeting place, and the reason for convening the meeting. Shareholders holding less than 1000 shares shall be notified of the shareholders' meeting by public notice. The notice may be given as a means of electronic transmission after obtaining a prior consent from the recipients thereof.
- Article 13. A shareholders' meeting shall, unless otherwise provided for in the Company Act or other relevant laws and regulation, be convened by the board of directors. For a shareholders' meeting convened by the board of directors, the chairman of the board shall assume the chairman of the meeting. If the chairman of the board is absent or unable to exercise authority, the Chairman should appoint an elected representative of the Board to assume the responsibility of chairing the meeting. If no representative of the board is appointed, members of the board shall nominate a representative among themselves to chair the meeting. For a shareholders' meeting convened by any other person having convening rights, he/she shall act as the chairman of that meeting provided. However, if there are two or more persons with convening rights, the chairman of the meeting shall be elected from among themselves. Shareholder meetings will be held as stipulated by the Company's Regulations and Procedures of Shareholders' Meeting.
- Article 14. Once the Company's shares are issued to the public, shareholders that are unable to attend shareholders' meetings shall state the scope of power authorized to the proxy on the proxy form printed by the Company, affixed with signature or seal, and appoint a proxy to attend the meeting on their behalf in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies stipulated by the competent authorities, unless otherwise stipulated in Article 177, Article 177-1, and Article 177-2 of the Company Act and Article 25-1 of the Securities and Exchange Act.
- Article 15. Unless set forth in Article 179 of the Company Act stating the restriction or no voting right on the exercise of voting power, a shareholder shall have one voting power in respect of each share in his/her/its possession
- Article 15-1 The voting power at a shareholders' meeting of the Company may be exercised in writing or by way of electronic transmission.
- Article 16. Resolutions at a shareholders' meeting shall, unless otherwise provided for in relevant laws and regulations, be adopted by a majority vote of the shareholders or their proxies present, who represent more than one-half of the total number of voting shares.
- Article 17. Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting and shall be distributed to all shareholders of the company within twenty days after the close of the meeting.

The preparation and distribution of the minutes of shareholders' meeting as required in the preceding Paragraph may be completed by means of electronic transmission. Once the Company's shares are issued to the public, the minutes of shareholders' meeting may be disclosed to the shareholders via a public notice.

Article 18. The Company may, in pursuance of the resolution adopted by its board of directors, apply to the competent authority in charge for an approval of the public issuance of its shares. The Company may apply for an approval of ceasing its status as a public company by a resolution adopted, at a shareholders' meeting, by a majority of the shareholders present who represent two-thirds or more of the total number of its outstanding shares. Article 18 shall remain unchanged during the Company's listing in emerging, OTC, and stock exchange markets.

In the event the total number of shares represented by the shareholders present at the shareholders' meeting whose shares have been issued to the public is less than the percentage of the total shareholdings required in the preceding Paragraph, the resolution may be adopted by two-third of the voting rights exercised by the shareholders present at the shareholders' meeting who represent a majority of the outstanding shares of the company.

CHAPTER 4. BOARD OF DIRECTORS, OF THE AUDIT COMMITTEE, AND MANAGERIAL OFFICERS

Article 19. The Company shall have nine to eleven directors on the board of directors, with a term of office of three years. Directors shall be elected by the shareholders during the shareholders' meeting and Directors may be re-elected. In case no election of new directors is affected after the expiration of the term of office of existing directors, the term of office of out-going directors shall be extended until a time when new directors are elected and assumed their roles as directors. However, the competent authority may, ex officio, order the Company to elect new directors within a given time limit; and if no re-election is effected after the expiry of the given time limit, the out-going directors shall be discharged ipso facto from such expiration date. Once the Company's shares are issued to the public, to fulfill Company governance, the board of directors of the Company shall establish no less than three in number and not less than one-fifth of the total number of independent directors, in accordance with Article 14-2 of the Securities and Exchange Act. Regulations governing the professional qualifications, restrictions on shareholdings and concurrent positions held, method of nomination and election, and other matters for compliance with respect to independent directors shall be prescribed by the competent securities and exchange authority.

During director elections, a nomination system shall be used to elect directors, where candidates from a list of directors are chosen in the shareholders' meeting, independent and dependent directors are elected concurrently, but count towards separate quorums. A candidate to whom the ballots cast represents a prevailing number of votes shall be deemed a(n) dependent/independent director-elect.

The Company shall purchase liability insurance for its directors.

Article 20. In Accordance with Article 14-4 of the Securities and Exchange Act, the Company shall establish an audit committee comprising of all independent directors. The exercise of authority of the audit committee and other compliance requirements are stipulated by the Company Act, Securities and Exchange Act, and the Company's Articles of Incorporation

Supervisors shall be disbanded on the establishment date of the audit committee.

Article 21. Member of the board of directors is selected through a registered cumulative voting method. The number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for the election of one candidate or may be split for the election of two or more candidates. A candidate to whom the ballots are cast represent a prevailing number of votes shall be deemed a director-elect.

Article 22. The board shall be comprised of the board of directors. The powers and duties of the board of directors are as follows:

1. Draft business plans;
2. Propose earnings distribution or loss make-up proposals;
3. Propose plans for capital increase and/or reduction;
4. Establish key articles of incorporation and organizational structure;
5. Appoint or discharge managers of the Company;
6. Establish or terminate branch units of the Company;
7. Propose annual budgets and closures of accounts; and
8. Other duties and power authorized by the Company Act and the resolution by the board meeting.

Article 23. The board of directors shall elect a chairman of the board from among the directors by a majority vote at a meeting attended by over two-thirds of the directors. The chairman represents the Company externally.

Article 24. Unless otherwise stipulated in the Company Act, meetings of the board of directors shall be convened by the chairman of the board. Unless otherwise stipulated in the Company Act, resolutions of the board of directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors.

Article 25. The Chairman of the board shall assume the role of the chairman at the board meetings. If the chairman of the board is absent or unable to exercise his/or authority, the Chairman shall appoint a director to assume responsibility as Chairman. If no director is appointed, the directors shall elect an acting chairman amongst themselves. The directors shall attend the board meeting in person. Directors who are unable to attend shall appoint another director to attend on their behalf. A director may accept the appointment to act as the proxy of only one other director referred to in the preceding Paragraph.

Meeting of the board of directors could proceed via a visual communication network. The directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

In calling a meeting of the board of directors, a notice in the form of a fax or electronic mail setting forth therein the subject(s) to be discussed at the meeting shall be given to each director and no later than seven days prior to the scheduled meeting date. However, in the case of emergency, the meeting may be convened at any time.

Article 26. All directors of the board who are engaged in the Company's business shall be paid travel costs and remuneration. The allocation of remuneration shall be decided upon at the meeting of the board of directors based on industry standards. When the Company generates profit, remuneration shall be allocated to the board of directors in accordance with Article 31 of the Articles of Incorporation.

Once the Company's shares are issued to the public, reasonable remuneration may be allocated to independent directors separately from the amount allocated to non-independent directors.

Shareholders or directors assuming the roles of managers or employees at the Company shall be deemed a member of the general staff and paid a management or employee salary based on their duties. The salary amount shall be stipulated as per contract or in accordance with relevant laws and regulations.

Article 27. The Company shall appoint managers. The appointment, discharge, and remuneration of managers at the Company shall be handled in accordance with Article 29 of the Company Act.

CHAPTER 5. ACCOUNTING

Article 28. The Company adopts the period from 1 January each calendar year through 31 December of the same calendar year for the fiscal year. Closing for the year shall be made after each fiscal year end.

Article 29. In accordance with Article 228 of the Company Act, the board of directors shall prepare the following statements and records at the close of the fiscal year and shall present the said statements for approval at the annual general meeting of shareholders:

1. The business report;
2. The financial statements; and
3. The earning surplus distribution or loss off-setting proposals.

Article 30. Distribution of the dividends and bonuses shall be based on the proportion of the number of shares held by each shareholder accordingly. In the instance of no earnings surplus, the Company shall not distribute dividends or bonuses.

Article 31. If the Company has any profit upon closing of accounts, a percentage of the profits shall be distributed as director and employee remuneration, as follows:

1. a maximum of 0.3% as director remuneration
2. 0.1% to 1% as employee remuneration

However, if the Company is operating at a loss, profits shall be retained to make up the losses of preceding years.

Subjects for the distribution of remuneration all include all subordinate employees who meet stipulated criteria.

Article 31-1 If the Company has any profit upon closing of accounts, the Company shall first settle outstanding taxes and offset accumulated losses of the preceding years, and then set aside 10% of such profits as a legal surplus. However, when the legal surplus amounts to the authorized capital, this shall not apply. An additional sum of the special surplus may be retained in accordance with relevant rules and regulations or business requirements. The remaining surplus, if any, along with unallocated earnings of previous years, shall be eligible to be distributed pursuant to the decision by the board meeting. At least 10% of the earnings surplus each year shall be set aside, and an earnings distribution plan shall be provided to be resolved by the shareholders' meeting for distribution.

Article 32. Only shareholders of record five days prior to the distribution date of dividend and earnings distribution are eligible for distribution.

Article 33. In consideration of the current status and development stage of the Company, the Company intends to adopt a dividend policy that seeks to best balance the operating requirements and shareholder interests. A suitable dividend distribution plan shall be drafted upon the board meeting based on the future capital budget plan of the Company to assess future fund requirement, profitability, financial structure, and earnings dilution impact. The dividend distribution plan shall be submitted to be resolved by the shareholders' meeting.

Dividends are distributed in the form of stock dividends or cash dividends, of which, cash dividends shall amount to at least 10%, in order to sustain company operations and growth while balancing the need for dividend distribution and shareholders rights.

CHAPTER 6. SUPPLEMENTARY PROVISIONS

Article 34. The Company shall make external guarantees in accordance with business operations.

Article 35. The Company shall alternatively establish organizational structure and protocols of procedure.

Article 36. Matters not provided in these Articles of Incorporation shall be conducted pursuant to the Company Act.

Article 37. These Articles of Incorporation were approved by all members of the founders meeting on 19 August, 2004.

First amendment on 10 March, 2005

Second amendment on 30 June, 2006

Third amendment on 17 May, 2007

Fourth amendment on 5 October, 2007

Fifth amendment on 30 January, 2008

Sixth amendment on 17 January, 2009

Seventh amendment on 19 August, 2010

Eighth amendment on 5 June, 2012
Tenth amendment on 14 February, 2014
Eleventh amendment on 14 May, 2014
Twelfth amendment on 6 May, 2015
Thirteenth amendment on 20 April, 2016
Fourteenth amendment on 17 May, 2017
Fifteenth amendment on 7 September, 2018

momo.com Inc.

Regulations and Procedures of Shareholders' Meeting

- Article 1. The present regulations and procedures are established in accordance with Article 5 of the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies to set guidelines for the governance, supervision, and management of the shareholders' meeting of Fubon Multimedia Technology Co., Ltd., trading under "momo.com Inc." (hereinafter referred to as the Company).
- Article 2. The Company's shareholders' meetings shall be held pursuant to the present regulations and procedures unless otherwise specified in laws and regulations.
- Article 3. The Company's shareholders' meetings shall be convened by the board of directors unless otherwise specified in laws and regulations.

The Company shall prepare electronic files of the shareholders' meeting notice, proxy form, causes and descriptions of proposals for ratification, matters for discussion, appointment or dismissal of directors or supervisors, and other matters on the shareholders' meeting agenda, and upload the aforementioned information to the Market Observation Post System (MOPS) at least 30 days before a general shareholders' meeting or 15 days before an extemporary shareholders' meeting. The Company shall also prepare electronic files of the shareholders' meeting agenda and supplementary meeting materials and upload them to the MOPS at least 21 days before a general shareholders' meeting or 15 days before an extemporary shareholders' meeting. The meeting agenda and supplementary meeting materials shall be prepared at least 15 days before each shareholder meeting and made accessible to shareholders; they shall also be displayed at the Company and its shareholder service agents and distributed at the meeting venue.

Shareholders' meeting notices and public announcements shall indicate the purposes of the meetings and may be issued by way of electronic transmission provided that the consent of the counterpart(s) is obtained in advance.

Matters pertaining to appointment or dismissal of directors and supervisors, alteration of incorporation articles, and dissolution, merger, split, or specifications in Paragraph 1, Article 185 of the Company Act and Articles 26-1 and 43-6 of the Securities and Exchange Act hereof shall be itemized in the causes or subjects to be described in the notice of convening a shareholders' meeting, and shall not be presented as extemporary motions.

Each shareholder in possession of over 1% of the total outstanding shares of the Company shall be allowed a single proposal in writing to be discussed in each shareholders' meeting. Proposals that involve more than one item shall not be included in the agenda. If a proposal involves one of the situations described in Paragraph 4, Article 172-1 of the Company Act, the board of directors may exclude the proposal from the agenda.

Prior to the share transfer suspension date set before a general shareholders' meeting is convened, the Company shall publicly announce the location and period for shareholders to submit their proposals to be discussed at the meeting. The period for submitting such proposals shall not be less than 10 days.

Each shareholder's proposal shall contain no more than 300 words. Proposals in excess of 300 words shall not be included in the agenda. A shareholder who has submitted a proposal shall attend the general shareholders' meeting in person or by a proxy and participate in the discussion of such proposal.

The Company shall inform shareholders who have submitted proposals of the processing results before the shareholders' meeting is convened and include proposals complying with the present article in the meeting notice. The board of directors shall explain the reasons for excluding any shareholder's proposal in the agenda during the shareholders' meeting.

- Article 4. A shareholder may issue the Company's proxy form with the scope of authorization indicated to appoint a proxy to attend a shareholders' meeting.

Each shareholder may issue one proxy form and appoint one proxy only. The proxy form shall be delivered to the Company at least five days before the shareholders' meeting in concern is convened. In a case where more than one proxy form is received, the first one received by the Company shall prevail unless an explicit statement to revoke the previous written proxy is made in the proxy which comes later.

After the Company receives the proxy form, a shareholder intending to attend the shareholders' meeting in person or exercise his/her/its voting rights in writing or by way of electronic transmission shall file a proxy rescission notice at least two days before the shareholders' meeting is convened. Otherwise, the voting right exercised by the authorized proxy at the meeting shall prevail.

- Article 5. Shareholders' meetings shall be held at the premises of the Company or locations convenient for shareholders and appropriate for shareholders' meetings. Meetings may not begin earlier than 9:00 a.m. or later than 3:00 p.m. After independent directors are appointed, their opinions regarding the location and time of shareholders' meetings shall be given full consideration.

- Article 6. The Company shall specify in shareholders' meeting notices the time and location for the registration of shareholders and other matters of attention.

The registration of shareholders shall begin at least 30 minutes before the meeting commences. The registration counter shall be clearly indicated. A sufficient number of competent personnel shall be assigned to process registration.

Attending shareholders or their appointed proxies must present their attendance passes, attendance cards, or other certificates for admittance. Proxy solicitors shall also bring their identification certificates for verification.

The Company shall provide an attendance list for the registration of attending shareholders; attending shareholders may choose to submit their attendance cards instead of signing the attendance list.

The Company shall distribute the shareholders' meeting agenda, annual report, attendance passes, speech notes, ballots, and other meeting materials to shareholders attending the shareholders' meeting; separate ballots shall be given for director or supervisor elections.

A shareholder who is a government agency or a juristic person may send more than one representative to attend shareholders' meetings. However, a juristic person serving as a proxy to attend a shareholders' meeting may appoint only one representative to attend the meeting.

Article 7. If a shareholders' meeting is convened by the board of directors, the chairman shall preside over the meeting. If the chairman is on leave or is unable to perform his/her duties, the vice chairman shall preside over the meeting. If the Company does not have a vice chairman or the vice chairman is also on leave or unable to perform his/her duties, the chairman shall appoint an executive director to preside over the meeting. If there is no executive director, the chairman shall appoint a director to act on his/her behalf. If the chairman has not appointed an agent, the directors shall elect among themselves one director to act on behalf of the chairman.

To serve as an agent for the chairman to preside over a shareholders' meeting, a director must have been on the board for at least six months and is familiar with the financial and business operations of the Company. The same requirement shall apply when a representative of the director of a juristic person is to chair a shareholders' meeting.

It is considered appropriate that the majority of the directors attend shareholders' meetings convened by the board of directors.

When a shareholders' meeting is convened by a party entitled to do so, the said party shall chair the meeting. If there are two such parties, one shall be elected to chair the meeting.

The Company may appoint its legal counsels, accountants, or relevant personnel to attend shareholders' meetings.

Article 8. The Company shall make uninterrupted audio and video recordings over the entire meeting process, including the shareholders' registration process, meeting proceedings, and election and vote-count in each shareholders' meeting and retain the audio and video recordings for at least one year. However, if any shareholder files a lawsuit in regard to a meeting in accordance with Article 189 of the Company Act, the audio and video recordings of the meeting shall be retained until the lawsuit is concluded.

Article 9. The attendance of shareholder meetings shall be determined based on the number of outstanding shares. The number of shares of the attending shareholders shall be calculated based on the signatures on the attendance list, the submitted attendance cards, and the shares from shareholders exercising their right to vote in writing or by way of electronic transmission.

The chairman shall call a meeting to order according to the schedule. However, if the number of outstanding shares represented by the attending shareholders is less than one half of the total outstanding shares, the chairman may postpone the meeting up to two times for no more than one hour in total. If the number of shares represented by the attending shareholders is still less than one third of the total outstanding shares after two postponements, the chairman shall declare the meeting aborted.

If the number of shares represented by the attending shareholders remains less than one half but more than one third of the total outstanding shares after two postponements, tentative resolutions may be passed according to Paragraph 1, Article 175 of the Company Act. Shareholders shall be notified of such tentative resolutions and that a shareholders' meeting is to be convened within one month.

If the number of shares represented by the attending shareholders totals more than one half of the total outstanding shares before the end of the meeting, the chairman may act pursuant to Article 174 of the Company Act and request the attending shareholders to vote on the tentative resolutions.

Article 10. The agendas of meetings convened by the board of directors shall be set by the board of directors and such meetings shall be conducted pursuant to the agendas unless the shareholders' meeting changes the agendas by resolution.

The preceding paragraph shall apply mutatis mutandis to meetings convened by other parties entitled to convene shareholders' meetings.

The chairman may not adjourn a meeting before the agenda established as specified in the two preceding paragraphs (including extemporary motions) is concluded, unless it is otherwise resolved during the meeting. If the chairman adjourns the meeting in violation of the Regulations and Procedures of Shareholders' Meeting, the other members of the board of directors shall immediately assist the attending shareholders to elect a new chairman, by majority vote, pursuant to legal procedures to continue the meeting.

The chairman shall provide shareholders, who are submitting proposals or proposing amendments or extemporary motions, sufficient time to explain and discuss their issues until they are ready to be put to a vote.

Article 11. A shareholder who wishes to speak during a shareholders' meeting is required to fill out containing the summary of the speech and the shareholder account number (or attendance card number) and account name in advance a speech note. The chairman shall decide the speaking order of the shareholders.

Any attending shareholder who submits a speech note but does not speak shall be considered unspoken. If a shareholder's speech is inconsistent with his/her/its speech note, the content of the actual speech shall prevail.

Each shareholder shall not speak about the same proposal more than twice without the permission of the chairman and exceed five minutes in each speech session. The chairman shall stop a speech of any shareholder whose speech is in violation of relevant regulations or concerns issues beyond the subject.

Shareholders shall not interrupt the speech of a speaking shareholder without the permission of the chairman and the speaking shareholder; otherwise the chairman shall stop such interruptions.

When a shareholder, who's a juristic person, has two or more representatives attending a shareholders' meeting only one representative may speak about each proposal.

The chairman or whose relevant designated personnel may respond after an attending shareholder has finished speaking.

Article 12. Votes at a shareholders' meeting shall be counted based on the number of shares.

The shares held by shareholders without voting rights shall not be included in the total number of outstanding shares.

If there is any concern that the interest of a shareholder regarding an issue discussed during a shareholders' meeting may jeopardize the Company's interests, the shareholder may not participate in voting or serve as a proxy to exercise the voting rights of any other shareholder.

The number of shares held by a shareholder who is prohibited from exercising his/her voting rights as described in the preceding paragraph shall not be included in the total number of shares in voting.

Besides the shareholder service agents ratified by the trust enterprise or securities authority, the voting rights of an individual serving as the proxy for two or more shareholders shall not exceed 3% of the total number of outstanding shares. The excess shares shall not be calculated.

Article 13. Each shareholder is entitled to one vote for each share in his/her possession. This does not apply to shareholders who has restricted or no voting rights according to Paragraph 2, Article 179 of the Company Act.

During a shareholders' meeting, shareholders may exercise their voting rights by way of electronic transmission or in writing. The means of exercising the voting rights shall be specified in the shareholders' meeting notice. Shareholders who exercise their voting rights by way of electronic transmission or in writing shall be deemed to have attended the shareholders' meeting in person, but shall be deemed to have waived their rights to vote in extemporary motions or the amendments to the original proposals at the meeting. Therefore, the Company shall avoid proposing extemporary motions and amendments.

A shareholder who chooses to exercise his/her voting rights in writing or by way of electronic transmission shall have the decision delivered to the Company at least two days before the meeting. If two or more decisions are delivered to the Company, the first one received shall prevail unless a notice of revocation of the foregoing decisions is issued.

A shareholder intending to attend the shareholders' meeting in person after expressing the decision to exercise his/her voting rights in writing or by way of electronic transmission shall revoke the decision by the same means previously

used in exercising his/her voting rights at least two days before the meeting; otherwise, the voting right exercised in writing or by way of electronic transmission shall prevail. If a shareholder expresses the intention to exercise his/her voting rights in writing or by way of electronic transmission and at the same time appoints a proxy to attend the meeting, the voting rights shall be exercised by the proxy.

Unless otherwise specified in the Company Act or the Company's articles of incorporation, a resolution shall be adopted with the consent of the majority of the attending shareholders. When voting is conducted, the chairman or a designated person shall announce the total number of voting rights of the attending shareholders before voting for each proposal begins. The Company shall upload the shareholders' approvals, disapprovals, and waivers to the MOPS on the same day after the shareholders' meeting.

If amendments or alternative proposals are submitted for the same proposal, the chairman shall decide the voting sequence on the amendments and/or alternative proposals along with the original proposal. Once one of them is passed, the others shall be considered vetoed and no further voting is needed. The Chairman shall appoint scrutineers and vote counters for votes on proposals. Scrutineers shall be selected from existing shareholders.

Vote-count during a shareholders meeting shall be conducted publicly at the meeting venue. The results, including the numbers of votes, shall be announced immediately after counting and filed to records.

- Article 14. Elections of directors and supervisors taking place during a shareholders' meeting shall be conducted pursuant to election regulations established by the Company. The results shall be announced immediately at the election, including the names of the elected directors and supervisors and the numbers of votes they received.

The ballots casted in the elections stated in the preceding paragraph shall be sealed with the signatures of the scrutineers and properly kept for at least one year. If a shareholder files a lawsuit over election results in accordance with Article 189 of the Company Act, the ballots shall be kept until the lawsuit is concluded.

- Article 15. Resolutions established during a shareholders' meeting shall be recorded in the meeting minutes carrying the signature or personal seal of the chairman. The meeting minutes shall be distributed to shareholders within 20 days after the end of the meeting. Drafting and distribution of meeting minutes may be conducted electronically.

The Company may distribute meeting minutes electronically by uploading them to the MOPS.

The date, location, name of chairman, method of adopting resolutions, summary of meeting proceedings, and results of each meeting shall be clearly indicated in the meeting minutes, which shall be kept as long as the Company exists.

Article 16. On the day of each shareholders' meeting, the Company shall compile in tables the numbers of shares obtained by solicitors and the numbers of shares represented by proxies in the specified format. These tables shall be posted at noticeable locations inside the meeting venue.

If any resolutions achieved during a shareholders' meeting are defined as critical information in relevant laws and regulations or the regulations of Taiwan Stock Exchange Corporation, the Company shall upload the contents of such resolutions to the MOPS within the specified period.

Article 17. The personnel handling the affairs of shareholders' meetings shall wear identification passes or armbands.

The chairman may command disciplinary personnel or security guards to maintain order in the meeting venue. Such disciplinary personnel or security guards shall wear armbands or identification passes carrying the wording of "Disciplinary Personnel" when on duty.

If the meeting venue is equipped with audio equipment by the company, the chairman may stop shareholders from using other equipment while speaking.

If any shareholders violate the meeting regulations and procedures, disobey the chairman's correction, disrupt meeting proceedings, and refuse to cooperate when ordered to discontinue their misbehaviors, the chairman may instruct disciplinary personnel or security guards to escort them to leave the meeting venue.

Article 18. When a meeting is in session, the chairman may set time for breaks. In force majeure situations, the chairman may decide to temporarily suspend the meeting and announce when to resume the meeting depending on the circumstances.

If a meeting cannot be continued at the meeting venue before the agenda, (including extemporary motions) of the meeting is concluded, the shareholders' meeting may be adjourned to another location by vote to continue the meeting.

The shareholders' meeting may resolve to postpone or resume a meeting within five days in accordance with Article 182 of the Company Act.

Article 19. The Regulations and Procedures shall take effect after approval by the shareholders' meeting and the same procedure shall apply when amendments are made.

Article 20 Regulations and Procedures of Shareholders' Meeting were agreed to and signed on May 17, 2007.

The first amendment was made on November 19, 2013.

An amendment was made for a second time on May 17, 2017.