

Time: 9:00 a.m., Friday, June 22, 2018

Place: 20F, No. 145, Section 2, Jianguo North Road, Taipei City

(Mercuries & Associates Building)

Total outstanding shares: 721,121,740 shares

Total shares represented by shareholders presented in person or by proxy :580,974,292 shares, accounting for 80.56% of the Company's total outstanding shares (including the 379,514,991 shares represented by shareholders exercising voting rights through e-voting)

Directors: Chen, Shiang-Li, Chen, Shiang-chung, Wong, Wei-Chyun, Fang, Cheng-Yi, Mao, Ming-Yu, Wang, Hsien-Chang, Yang, Li-Yun, Lee, Mao

Supervisors: Cheng, I-Teng

Attendees: Liu, Ke-Yi, CPA, Hsu, Ching-Hsin Attorneys-at-law

Chairman: Chen, Shiang-Li, the Chairman of the Board of Directors

翻購

Recorder: Wu,Su-Neu 異淑女

- A. Meeting Commencemen Announced: The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum.
- B. Chairman's Address (omitted)
- C. Report Items
  - I. 2017 business report (refer to Attachment 1)
  - II. Supervisors' review report of 2017 audited financial statements (refer to Attachment 2)
  - III. To report 2017 directors', supervisors', and employees' compensation 2017 directors' and supervisors' compensation and employees' compensation in the amounts of NT\$12,000,000 and NT\$17,800,000.
- IV. Status report of endorsement and guarantee in 2017
  As of December 31, 2017, the Company's endorsement/guarantee balance was NT\$341,300 thousand.

	Company Name		aranteed Party	Limitation on Endorsements	Maximum	Endorsement or Guarantee		Amount of Endorsement/	Percentage of Accumulated Amount of	Endorsement/Gua
No.	No. Endorser/Guaran tor	Company Name	Relationship (Note 1)	and Guarantees for a Single Enterprise (Note 2)	Balance for the Period	Balance at the End of Current Period	Actual Expenditure	Guarantee with Security on Property	Endorsement/Gu arantee to Net Value of Most Recent Financial Statements	rantee Ceiling (Note 3)
0	Mercuries & Associates Holding, Ltd.	Sanyou Drugstores, Ltd.	6	\$2,537,402	\$250,000	\$250,000	\$150,000	-	0.01	\$5,074,805
1	Mercuries Rich	Asiandawn Ventures Inc.	3	\$1,691,602 (Note 4)	\$91300	\$91,300	•	-	0.01	\$3,383,203 (Note 5)
2	Mercuries Harvest Co., Ltd.	Asiandawn Ventures Inc.	3	(Note 4)	\$89,740	-		-	-	(Notes 5 and 6)

Note 1: Relationship between the endorser/guarantor and the Company is classified into the following six categories:

- (1) Companies with business relationship.
- (2) The endorser/guarantor parent company owns directly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The endorser/guarantor parent company and its subsidiaries jointly own more than 50% voting shares of the endorsed/guaranteed company.
- (4) More than 50% voting shares of the subsidiary directly held by the endorser/guarantor parent company or indirectly held by subsidiary.
- (5) Companies which guarantee each other according to contract based on contractor relationship.
- (6) Joint venture endorsed/guaranteed by shareholders based on their holding ratio.
- Note 2: Amount of endorsement/guarantee for one single company cannot exceed 15% of the Company's net worth on the financial statements.
- Note 3: The Company's total endorsement/guarantee cannot exceed 30% of the Company's net worth on the financial statements.
- Note 4: The amount of endorsements/guarantees made by Mercuries Harvest Co., Ltd. and Mercuries Rich to a single enterprise shall not exceed 10% of the Company's net worth.
- Note 5: The aggregate amount of endorsements/guarantees made by Mercuries Harvest Co., Ltd. and Mercuries Rich shall not exceed 20% of the Company's net worth.
- Note 6: Mercuries Harvest Co., Ltd. canceled the endorsement/guarantee made to ASIANDAWN VENTURES INC. on December 9, 2017.

### V. To report the amendment to the Rules and Procedures of Board of Director Meetings Description:

- 1. The Company has established the Audit Committee, and thus proposes to amend the Rules and Procedures of Board of Director Meetings.
- 2. Please refer to Attachment 5 for the Comparison Table for the Rules and Procedures of Board of Director Meetings Before and After Amendment.
- VI. To report the amendment to the Corporate Governance Best Practice Principles Description:
  - 1. The Company has established the Audit Committee, and thus proposes to amend the Corporate Governance Best Practice Principles.
  - 2. Please refer to Attachment 6 for the Comparison Table for the Corporate Governance Best Practice Principles Before and After Amendment.
- VII. To report the amendment to the Corporate Social Responsibility Best Practice Principles Description:
  - 1. The Company has established the Audit Committee, and thus proposes to amend the Corporate Social Responsibility Best Practice Principles.
  - 2. Please refer to Attachment 7 for the Comparison Table for the Corporate Social Responsibility Best Practice Principles Before and After Amendment.
- VIII. To report the amendment to the Ethical Corporate Management Best Practice Principles Description:
  - 1. The Company has established the Audit Committee, and thus proposes to amend the Ethical Corporate Management Best Practice Principles.

- 2. Please refer to Attachment 8 for the Comparison Table for the Ethical Corporate Management Best Practice Principles Before and After Amendment.
- IX. To report the amendment to the Codes of Ethical Conduct

#### Description:

- 1. The Company has established the Audit Committee, and thus proposes to amend the Codes of Ethical Conduct.
- 2. Please refer to Attachment 9 for the Comparison Table for the Codes of Ethical Conduct Before and After Amendment.

#### **D. Ratification Items**

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

#### Description:

- 1. The 2017 financial statements have been approved by the Board of Directors, and have been reviewed by the Supervisors.
- 2. Please refer to Attachment 1 and Attachment 3 for the documents mentioned above. Voting Results:

Shares represented at the time of voting: 580,146,482

Voting results	% of the total represented share present
Votes in favor: 573,689,692 votes (among which 373,377,652 votes were exercise through e-voting)	98.89%
Votes against: 37,614 votes (among which 37,614 votes were exercise through e-voting)	0.01%
Votes invalid: none	0%
Votes abstained: 6,419,176 votes (among which 6,099,725 votes were exercise through e-voting)	1.10%

RESOLVED, that the 2017 Business Report and Financial Statements be and hereby were accepted as submitted.

- II. To approve the proposal for distribution of 2017 earnings (Proposed by the Board of Directors) Description:
  - 1. Earnings available for distribution in 2017 was NT\$6,181,747,563. The Board of Directors had proposed to distribute cash dividends of NT\$612,369,399 and stock dividends of NT\$612,369,390. Based on the 765,461,749 outstanding shares, it is estimated that cash dividends and stock dividends distributed per share will be approximately NT\$0.8 and NT\$0.8, respectively. Cash dividends will be rounded to the nearest whole figure. Dividends less than NT\$1 will be combined and transferred to the Company's Employee Welfare Committee. That the shareholders' meeting shall authorize the Board of Directors to set an ex-dividend date separately is proposed.
  - 2. If the number of outstanding shares or distribution of shareholders' shares or

interest is changed due to the subsequent redemption of the Company's shares, transfer, exchange or write-off of treasury stocks, conversion of corporate bonds according to laws, exercise of employee stock options, or issuance or redemption of restricted employee shares after cash dividends and stock dividends are approved in the shareholders' meeting, that the shareholders' meeting shall authorize the Board of Directors to handle all relevant matters is proposed.

3. Please refer to Attachment 4 for the Earnings Distribution Table. Voting Results:

Shares represented at the time of voting: 580,146,482

Voting results	% of the total represented share present
Votes in favor: 573,698,240 votes (among which 373,386,200 votes were exercise through e-voting)	98.89%
Votes against: 41,820 votes (among which 41,820 votes were exercise through e-voting)	0.01%
Votes invalid: none	0%
Votes abstained: 6,406,422 votes (among which 6,086,971 votes were exercise through e-voting)	1.10%

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

#### E. Discussion Items

I. To comply with the standards for listing pertaining to stock dispersion of Simple Mart Retail Co. Ltd. (Simple Mart), the Company had proposed to sell some shares of Simple Mart and waive its right to subscribe to shares issued by Simple Mart for capital increase by cash. (Proposed by the Board of Directors)

- 1. In response to the standards for listing pertaining to stock dispersion of Simple Mart and the listing schedule, the Company had proposed to sell some shares of Simple Mart and waive its right to subscribe to shares issued by Simple Mart for capital increase by cash:
  - (1) When Simple Mart conducts capital increase by cash (for several times as needed) in the future, the Company will waive part or all of its right to subscribe to shares issued by Simple Mart for capital increase by cash in the hope of reducing the shareholding ratio. The issue price will be determined based on the market conditions and the operation of Simple Mart, and shall not be less than the net value per share audited or reviewed by the CPAs in the most recent financial statements of Simple Mart. 10%~15% shall be kept for subscription by the employees of Simple Mart according to laws; for shares to which the Company waives its right to subscribe, the Board of Directors shall authorize the Chairman to appoint a specific party to subscribe to such shares. The specific party shall be a strategic or financial investor that is beneficial to the operation of Simple Mart.

- (2) To invite a strategic or financial investor to invest in Simple Mart, the Company plans to sell shares (for several times as needed) in compliance with the standards for listing pertaining to stock dispersion. The issue price will be determined based on the market conditions and the operation of Simple Mart, and shall not be less than the net value per share reviewed or attested by the CPAs in the most recent financial statements of Simple Mart. Such shares shall be sold to a strategic or financial investor or a securities dealer recommended by the emerging stock market that is beneficial to the future operation of Simple Mart.
- (3) The Company plans to invite a strategic investor, SUMITOMO CORPORATION (SUMITOMO), to invest in Simple Mart. The details are described below:
  - a. The Company currently holds 45,100 thousand shares of Simple Mart and plans to sell 6,810 thousand shares to SUMITOMO at the total amount of NT\$743,000 thousand, with the price per share of NT\$109.1 As a listed company in Japan, SUMITOMO operates a wide scope of business, including large industrial zones, power plants, vehicles, vessels, energy, chemicals, metals, necessities, and retail. With the help of SUMITOMO's experience in retailing in the Japanese market, the Company expects to improve Simple Mart's retail performance and profit. In addition, Simple Mart plans to issue shares for capital increase by cash at price of NT\$100 per share. The Company will waive its right to subscribe to 5,000 thousand shares of Simple Mart and invite the specific party to subscribe to such shares.
  - b. According to the Company's Procedures for Acquisition and Disposal of Assets, the Company has engaged LCI Group to provide appraisal opinions on this transaction. CPA Wen-chang Cheng from Cheng Yeh Certified Public Accountants has provided the opinions on the reasonableness of the price and the impact on the shareholders' equity of the Company.
- 2. After this proposal is resolved, that the shareholders' meeting shall authorize the Board of Directors to handle the Company's selling of shares and waiver of its right to subscribe to shares issued by Simple Mart, as specified in 1.(1) and (2) is proposed; that the shareholders' meeting shall authorize the Chairman to sign the subscription agreement with SUMITOMO, as specified in 1. (3), is proposed.

Shares represented at the time of voting: 580,974,292

Voting results	% of the total represented share present
Votes in favor: 535,375,799 votes (among which 335,063,759 votes were exercise through e-voting)	92.15%
Votes against: 38,386,852 votes (among which 38,386,852 votes were exercise through e-voting)	6.61%
Votes invalid: none	0%
Votes abstained: 7,211,641 votes (among which 6,064,380 votes were exercise through e-voting)	1.24%

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

- II. To amend the Articles of Incorporation (Proposed by the Board of Directors)

  Description:
  - 1. The Company has established the Audit Committee, and thus proposes to amend the Articles of Incorporation.
  - 2. Please refer to Attachment 10 for the Comparison Table for the Articles of Incorporation Before and After Amendment.

#### **Voting Results:**

Shares represented at the time of voting: 580,974,292

Voting results	% of the total represented share present
Votes in favor: 573,717,842 votes (among which 373,405,802 votes were exercise through e-voting)	98.75%
Votes against: 37,613 votes (among which 37,613 votes were exercise through e-voting)	0.01%
Votes invalid: none	0%
Votes abstained: 7,218,837 votes (among which 6,071,576 votes were exercise through e-voting)	1.24%

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

III. To amend the Rules and Procedures of Shareholders Meeting (Proposed by the Board of Directors)

- 1. The Company has established the Audit Committee, and thus proposes to amend the Rules and Procedures of Shareholders Meeting.
- 2. Please refer to Attachment 11 for the Comparison Table for the Rules and Procedures of Shareholders Meeting Before and After Amendment.

Shares represented at the time of voting: 580,974,292

Voting results	% of the total represented share present
Votes in favor: 573,717,842 votes (among which 373,405,802 votes were exercise through e-voting)	98.75%
Votes against: 37,613 votes (among which 37,613 votes were exercise through e-voting)	0.01%
Votes invalid: none	0%
Votes abstained: 7,218,837 votes (among which 6,071,576 votes were exercise through e-voting)	1.24%

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

IV. To amend the Rules for Election of Directors and Supervisors (Proposed by the Board of Directors)

#### Description:

- 1. The Company has established the Audit Committee, and thus proposes to amend the Rules for Election of Directors and Supervisors.
- 2. Please refer to Attachment 12 for the Comparison Table for the Rules for Election of Directors and Supervisors Before and After Amendment.

#### **Voting Results:**

Shares represented at the time of voting: 580,974,292

Voting results	% of the total represented share present
Votes in favor: 573,717,842 votes (among which	98.75%
373,405,802 votes were exercise through e-voting)	
Votes against: 37,614 votes (among which 37,614 votes	0.01%
were exercise through e-voting)	0.0170
Votes invalid: none	0%
Votes abstained: 7,218,836 votes (among which 6,071,575	1.24%
votes were exercise through e-voting)	1.24/0

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

V. To amend the Procedures for Acquisition and Disposal of Assets (Proposed by the Board of Directors)

- 1. The Company has established the Audit Committee, and thus proposes to amend the Procedures for Acquisition and Disposal of Assets.
- 2. Please refer to Attachment 13 for the Comparison Table for the Procedures for Acquisition and Disposal of Assets Before and After Amendment.

Shares represented at the time of voting: 580,974,292

Voting results	% of the total represented share present
Votes in favor: 573,717,842 votes (among which	98.75%
373,405,802 votes were exercise through e-voting)	76.7570
Votes against: 37,614 votes (among which 37,614 votes	0.01%
were exercise through e-voting)	0.0170
Votes invalid: none	0%
Votes abstained: 7,218,836 votes (among which 6,071,575	1.24%
votes were exercise through e-voting)	1.2470

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

VI. To amend the Procedures for Endorsement and Guarantee (Proposed by the Board of Directors)

#### Description:

- 1. The Company has established the Audit Committee, and thus proposes to amend the Procedures for Endorsement and Guarantee.
- 2. Please refer to Attachment 14 for the Comparison Table for the Procedures for Endorsement and Guarantee Before and After Amendment.

#### **Voting Results:**

Shares represented at the time of voting: 580,974,292

Voting results	% of the total represented share present
Votes in favor: 573,713,646 votes (among which 373,401,606 votes were exercise through e-voting)	98.75%
Votes against: 45,020 votes (among which 45,020 votes were exercise through e-voting)	0.01%
Votes invalid: none	0%
Votes abstained: 7,215,626 votes (among which 6,068,365 votes were exercise through e-voting)	1.24%

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

VII. To amend the Procedures for Lending Funds to Other Parties (Proposed by the Board of Directors)

#### Description:

- 1. The Company has established the Audit Committee, and thus proposes to amend the Procedures for Lending Funds to Other Parties.
- 2. Please refer to Attachment 15 for the Comparison Table for the Procedures for Lending Funds to Other Parties Before and After Amendment.

#### **Voting Results:**

Shares represented at the time of voting: 580,974,292

Voting results	% of the total represented share present
Votes in favor: 573,713,646 votes (among which	98.75%
373,401,606 votes were exercise through e-voting)	76.1370
Votes against: 45,020 votes (among which 45,020 votes	0.01%
were exercise through e-voting)	0.0170
Votes invalid: none	0%
Votes abstained: 7,215,626 votes (among which 6,068,365	1.24%
votes were exercise through e-voting)	1.24%

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

VIII. The issuance of new shares through capitalization of earnings (Proposed by the Board of Directors)

- 1. To strengthen the Company's capital structure and to satisfy operating needs, the Company plans to allocate NT\$612,369,390 in the shareholders' dividends to issue new shares with the face value of NT\$10 per share. The Company plans to issue 61,236,939 shares, and all of which will be in the form of non-physical shares.
- 2. For the issuance of new shares by earnings recapitalization, 80 shares will be distributed without pay for each 1,000 shares held based on the shareholding ratio of each shareholder recorded on the shareholders' list on the ex-dividend date. Cash will be distributed for the issuance of less than 1 share, and the Chairman will contact the specific party to subscribe to such shares at the face value.
- 3. For the issuance of new shares by earnings recapitalization, the rights and obligations carried in these shares are equal to those of ordinary shares outstanding.
- 4. Upon approval in the shareholders' meeting and by the regulator, the Board of Directors will be authorized to set an ex-dividend date separately. If the number of outstanding shares or distribution of shareholders' shares or interest is changed due to the subsequent redemption of the Company's shares, transfer, exchange or write-off of treasury stocks, conversion of corporate bonds according to laws, exercise of employee stock options, or issuance or redemption of restricted employee shares, that the shareholders' meeting shall authorize the Board of Directors to handle all relevant matters is proposed.

Shares represented at the time of voting: 580,974,292

Voting results	% of the total represented share present
Votes in favor: 573,723,404 votes (among which 373,411,364 votes were exercise through e-voting)	98.75%
Votes against: 48,018 votes (among which 48,018 votes were exercise through e-voting)	0.01%
Votes invalid: none	0%
Votes abstained: 7,202,870 votes (among which 6,055,609 votes were exercise through e-voting)	1.24%

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

#### **E. Directors Election**

I. Election of 9 directors (including 3 independent directors) of the 19th Board of Directors (Proposed by the Board of Directors)

#### Description:

- 1. The tenure of the current Board of Directors will expire on June 23, 2018. The Board of Directors will be reelected in this shareholders' meeting according to the seats prescribed the Company's Articles of Incorporation. Elected directors (including 3 independent directors) will assume office after the end of this shareholders' meeting with tenure of 3 years from June 22, 2018 to June 21, 2021.
- 2. According to Article 192-1 of the Company Act, the Company accepted the nomination of director candidates from April 13, 2018 to April 25, 2018. The roster of director candidates has been reviewed and approved by the Board of Directors on May 11, 2018 and proposed for election in this shareholders' meeting on June 22, 2018. Please see Attachment 16 on Pages 61 to 63 of the Handbook for the roster of director candidates.

Election Result: The list of newly elected directors with votes received follows:

Title	Name	Votes Received
Director	Representative of Shanglin Investment Co., Ltd.: Chen,Shiang-Li	849,355,948 votes
Director	Representative of Shanglin Investment Co., Ltd.: Chen, Shiang-Chung	722,053,519 votes
Director	Representative of Shuren Investment Co., Ltd.: Wong, Wei-Chyun	723,232,080 votes
Director	Fang,Cheng-Yi	593,786,932 votes
Director	Representative of Shanglin Investment Co., Ltd.: Mao,Ming-Yu	593,341,783 votes
Director	Representative of Shanglin Investment Co., Ltd.: Cheng,I-Teng	562,896,636 votes
Independent Director	Ted Tu	299,449,322 votes
Independent Director	Lee,Mao	300,949,322 votes
Independent Director	Jeffrey Chen	299,449,322 votes

#### F. Extraordinary Motions

The inquiries made by shareholders totaled 2,and the summary of which is as follows: Shareholder Mr. Huang (Account No. 136481) and Mr. Tsai (Account No. 133013) made statements about: Foreign exchange gains (losses) of Mercuries Life Insurance Co., Ltd. in 2018 and operational status of subsidiary in 2017.

The Chairman and the person designated by the Chairman responded to the above statements made by the said shareholders.

#### G. The meeting was adjourned at 10:03 a.m. of the same day.

#### Mercuries & Associates Holding, Ltd.

#### 2017 Business Report

Mercuries & Associates Holding, Ltd. ("the Company") is an investment holding company, and its joint ventures undertake life insurance, retail of daily commodities and food, pharmaceuticals, and information services. In 2017, the Company optimized investment based on the existing long-term development strategies. In the future, the Company will move toward a business model of diversification and multiple markets in the hope of improving the operating performance through specialization and economies of scale.

#### I. 2017 Business Report

#### (1) Results of business plan

The Company's investment strategies are implemented after prudent evaluation. Making good use of the Group's resources, the Company has constantly forged joint ventures or strategic alliances with partners at home and abroad. The results of business plans of the Company's investment plan in 2017 are as follows:

#### 1. Retail of daily commodities and food

To improve the profitability of each retail store, the Company kept track of existing competitors, assessed threats of new competitors, and adjusted the product structure in line with consumers' preferences; compared with 2016, revenue in 2017 increased, along with the number of retail stores.

#### 2. Life insurance

Global economy revived as expected. Facing the exchange loss due to the appreciation of NTD, Mercuries Life Insurance actively strengthened the control of market risks based on the principle of steady operation; through solid investment strategies, Mercuries Life Insurance pursued the increase in the overall profit. By 2017, the total amount of assets reached NT\$1.529 trillion, and revenue and profit increased by 6% and 8%, respectively, compared to 2016.

#### 3. Pharmaceuticals

Due to customers' changes in products and the depreciation of USD, revenue and profit of SCI Pharmtech, Inc. in 2017 were 1.301 billion and 190 million, respectively.

#### 4. Information services industry

Due to the increase in the number of ATMs installed and revenue from projects, revenue of MDS Co., Ltd. (MDS) in 2017 increased by 22%. With the careful selection of projects and an improved capacity for software development, profit in 2017 increased by 44%.

#### (2) Budget Implementation, Financial income, and Profitability Analysis

The consolidated operating income of NT\$239 billion in 2017 increased by 16% compared to NT\$205.4 billion in 2016, resulting in a budget achieving rate of 107%. In terms of profit, net

income attributable to the parent company was NT\$1.641 billion; earnings per share after tax was NT\$2.27; the return on assets was 7.18%; the return on shareholders' equity was 10.57%.

#### (3) Research and development status

#### 1. Retail of daily commodities and food

Due to the intense competition in retail of daily commodities and in the food and beverage industry, the Company will continuously adjust product structures and marketing strategies in accordance with market demand and movements to correspond with the highly volatile operational environment and consumer demand. We will also establish differential marketing activities for each store to enhance their competitiveness and to expand market segmentation, strengthen the regional competitive advantage, as well as optimize our overall brand image.

#### 2. Life insurance

Facing the aging society and low interest rates, Mercuries Life Insurance developed guaranteed investment products for retirement management, including disability support insurance, small-amount life insurance, and guaranteed products. Fulfilling its corporate social responsibility and corporate governance, Mercuries Life Insurance has been selected in the TWSE Corporate Governance 100 Index for three consecutive years. In 2017, Mercuries Life Insurance won the Best Corporate Social Responsibility Award in the category of non-financial holdings from Excellence Magazine.

#### 3. Pharmaceuticals

Research and development expenses in 2017 were commensurate to those in 2016. In 2017, the construction of a new R&D building was expected to accommodate more manpower and equipment. Due to regulatory factors, the application for a building permit was delayed. The construction is expected to commence in 2018. With investment in more R&D resources, new products are expected to be developed ahead of the market.

#### 4. Information services industry

MDS continued to transfer our R&D results into material patent protection to comprehensively protect the Company's intangible assets. This would help us to proactively achieve our objectives to enhance competitive advantage and raise the entry barrier for our Company.

#### II. Summary of Annual Business Plan for 2018

#### (1) Operating objectives

The Company will lower operating costs and strengthen competitive advantages through focused management. We will utilize the operating experiences in various businesses and expand our reach to domestic and overseas business partners. Furthermore, the Company will also prudently evaluate investment strategies, and we hope to integrate our business strategies and scale our business to enhance the Company's values.

#### (2) Important product and sales policies

#### 1.Retail of daily commodities and food

For the next period, the Company will continue to strengthen our products and services and undertake market segmentation, enhance brand recognition and product sales. We will make our customer service members more professional and affable to create a positive environment for consumers. We will continue to update the information system, streamline production procedures, and strengthen sales data analytics to lower operating costs and to weed out the weak links, as well as to strengthen channel development. We will also strongly encourage effectiveness evaluation prior to opening new storefronts. To expand and conserve resources in this age with inflated commodity prices, we need to maximize the effectiveness in both personnel and various expenses.

#### 2.Life insurance

The focus on development strategies is to strengthen the financial structure, improve the investment performance, and optimize the risk control and operational efficiency. To strengthen the financial constitution, Mercuries Life Insurance shall improve its capital adequacy and cost control to implement cost management and reinforce financial strength. Product portfolios shall be optimized to create the new contract value. Mercuries Life Insurance shall strengthen the operation of foreign exchange and hedging tools to improve the use of funds and return on investment. To improve operational efficiency, mobile business and digital services shall be offered.

#### 3.Pharmaceuticals

SCI Pharmtech's production and marketing policies are mostly focused on product characteristics and client types:

- A.Active Pharmaceutical Ingredients (API): focus on original developer of the drug supply. We will avoid popular products and select drugs with higher safety and stable sales, in addition to having new usage, new formulation or can be further developed into new drugs, or present API that can serve as starting active ingredients for new drugs.
- B.Intermediates: our primary goal is to target the original developer of the drug supply, and our second goal is to enter the market for intermediates with high barrier, legal regulation and stringent quality control, intermediates relevant to the Company's core technologies, intermediates with strategic partners available, and intermediates that are used in the early R&D stage of new drugs. Intermediates with above-mentioned characteristics can help us to effectively differentiate ourselves from competitors and prevent price wars.
- C.Specialty Chemicals: SCI Pharmtech produces and sells electronic specialty chemicals with high standards in the pharmaceutical industry and customizes products in line with customers' needs and implement mass production.

#### 4.Information services industry

MDS prudently selects and assumes large-scale public engineering projects to create high

margin and business opportunities in subsequent revenue from maintenance work. We will continue to develop new businesses, create differential value, enhance software development skills and strive toward product R&D to enhance market competitiveness. We will also focus on discussing on ways to extend durability of current patents and focus on R&D to receive new patents.

#### III. External Competitive Environment and Overall Operating Environment

The global economy in 2017 revived gradually from stagnation. The global investment, trade, and industrial production were driven by the economic recovery in advanced countries, resulting in the restoration of confidence and prosperity in financial markets. Nearly 75% of economies around the world sped the growth, showing an economic growth better than expected. With the global economic recovery and high export of high-tech products, the economic growth in Taiwan hit a record high in recent years, along with the stock market. According to the statistics from Ministry of Economic Affairs, the turnover of retail sale in non-specialized stores and food and beverage service activities in Taiwan increased by 2.06% and 2.93%, respectively, regardless of the long-term depression in private consumption and investment due to a series of policy reforms. According to the statistics from the Directorate General of Budget, Accounting and Statistics (DGBAS), Executive Yuan, the economic growth in Taiwan was 2.86% in 2017, showing a significant increase of 1.50% compared to 2016.

With the constant improvement in emerging markets and developing countries, the global economic recovery is expected to expand further in 2018. In spite of uncertainties, such as geopolitics, extreme climate, and trade protectionism in the U.S., the International Monetary Foundation (IMF) has predicted a 3.9% global economic growth in 2018, higher than 3.7% in 2017. With the improvement in the labor market and increases in basic salaries and remunerations of civil servants, and proactive salary adjustment in enterprises, consumption is expected to increase. Compared to 2016, investment increased significantly, but import and export declined in 2017. Statistics from the DGBAS on February 13, 2018 predicted a 2.42% economic growth in Taiwan for 2018. The predicted growth rate is less than that in 2017. Our management and employees remain committed to their work. To reduce risks of operation, we have implemented a business strategy for diversification and devoted ourselves to innovation in hopes of enhancing the quality of our services and business performance.

#### IV. Developmental Strategies for the Company in the Future

The Company's existing major businesses have been in operations for over 30 years. To seek for steady business growth in a saturated market and competitive industries, we have proactively attempted to innovate in recent years. The Company is striving to become a comprehensive business with diversified operations. Besides lowering operating risk and fully considering changes in both external and internal environments, we are also equipped with professional management team. In addition to providing services ranging from food, clothing, living and entertainment to the public, this will also help the Company to enhance brand value from creating a positive environment for the public consumers.

In the future, the Company will continue to integrate internal resources and adjust our organization, maintain our core values in prudently evaluating investment strategies, as well as seek for new opportunities in partnering with different industries and finding new investment opportunities. We will develop businesses through vertical integration and diversified operations in addition to assisting each subsidiary to undertake resource integration to exert operational synergies. We hope to expand the scope of our business, and maximize shareholders' profits through focused management and by integrating the Group's domestic and overseas resources. We will also continue to fulfill our corporate social responsibility and sincerely hope that our shareholders can continue to love and support us.

Mercuries & Associates Holding, Ltd.

**Supervisors' Review Report** 

2017 Consolidated Financial Statement and Individual Financial Statements of the

Company submitted by the Board of the Directors, have been audited by CPA Liu,

Ke-Yi and Hsu, Kun-Shi of BDO Taiwan Union & Co. All Supervisors of the

Company have verified the above along with the Company's Business Report and

Earnings Distribution, and we are of the opinion that misstatement has not been

found. Hence, we have issued the above statement for your reference and inspection

in accordance with Article 219 of the Company Act.

To

2018 Annual Shareholders Meeting

Supervisor: Shuren Investment Co., Ltd.

Representative: Liu, Chien-Chih

Supervisor: Cheng,I-Teng

April 30, 2018

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#### **Independent Auditors' Report**

The Board of Directors and Shareholders Mercuries & Associates Holding, Ltd.

#### **Opinion**

We have audited the accompanying consolidated financial statements of Mercuries & Associates Holding, Ltd and its subsidiaries (the Group), which comprise the consolidated balance sheets as of December 31, 2017 and 2016, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2017 and 2016, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

#### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **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, 2016. 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.

#### **Completeness and Accuracy in Reporting Insurance Liabilities**

#### Matter Description

For accounting policies regarding the reporting of insurance liabilities, please see Note 4 (28) of the Consolidated Financial Statements; for accounting estimates and uncertainties for evaluation of insurance liabilities, please see Note 5 of the Consolidated Financial Statements; and for details of insurance liabilities, adjustments, and disclosure of characteristics and scope of the management of risks associated with insurance contracts, please see Note 6 (25) and 12 (7) of the Consolidated Financial Statements.

The insurance liabilities reserve of subsidiary Mercuries Life Insurance Co., Ltd. has been prepared by actuaries in accordance with "Guidelines for Reserve Provisions for the Insurance Industry." They have been prepared with professional judgment and experience, and various insurance liabilities for different insurance plans have been evaluated in a highly complex manner. In particular, there is much uncertainty, speculation and judgment involved in the deposit procedures of liabilities reserve for various products, and material judgment from the management level is also involved. In addition, to ensure the appropriateness of provisions for insurance liabilities, material judgment is formed for the final total payoff value of each insurance payment. If the future cash flow of insurance policies are estimated based on present information, and deficit is found in the book value of insurance liabilities already recognized, all deficit shall be recorded as appropriate reserve for the liabilities. Hence, we are of the opinion that the completeness and accuracy of recording insurance liabilities is one of the most significant matter in the audit in this period.

#### Primary Audit Procedures as Countermeasures

- 1.Evaluate the design of internal control relevant to insurance liabilities in the financial statements and test for its effectiveness, including ensuring the control for completeness and accuracy of insurance contract information is effective.
- 2. Undertake volatility analysis and provisions analysis of insurance liabilities, and inspect relevant information and recorded provisions in insurance calculations.
- 3.Sample unexpired insurance expense reserve, liabilities reserve, indemnities reserve, premium deficit reserve, special reserve, and liabilities appropriate reserve in accordance with "Guidelines for Reserve Provisions for the Insurance Industry" to inspect the procedures for recording provisions, verify insurance premiums and indemnity information, and assess the reasonableness of provisions.
- 4. Assess the fairness of disclosure items in insurance liabilities.

#### **Evaluate financial asset**

#### Matter Description

For accounting policies regarding the evaluation of financial assets, please see Note 4 (12) of the Consolidated Financial Statements; for accounting estimates and uncertainties for evaluation of financial asset, please see Note 5 of the Consolidated Financial Statements; for information on the fair market value of financial asset and financial risk management, please see Note 12 (2~4) of the Consolidated Financial Statements.

The fair market value of debt instrument investment in non-active market, as part of the available-for-sale financial asset of the subsidiary, Mercuries Life Insurance, has been calculated on a directly or indirectly observable basis. The management level shall assess the source of this information or method of evaluation and may use different evaluation techniques. Hence, subjective judgment from the management level is involved. in addition, the fair market value of financial asset could be subjected to significant or lasting depreciation, resulting in loss of estimated amount of financial asset and material judgment from the management level is involved. Hence, we are of the opinion that evaluation of the financial asset is one of the most significant items in the audit for this period.

#### Primary Audit Procedures as Countermeasures

- 1. Test the internal control cycle of investment procedures, including original records, subsequent evaluation and the internal control systems disclosed in the financial statements.
- 2.Inspect accounting policies relevant to the evaluation and disclosure of fair market value of financial asset.
- 3. Obtain details of financial asset, understand the method in which fair value is obtained for each product type, and assess whether classification of fair value levels is presented fairly.
- 4. Assess the important assumptions and reasonableness of fair value by using relevant information from external sources.

- 5.Implement physical count of financial asset and mail inquires.
- 6.Implement impairment test, including comparing investment book value and net value from the most recent financial statements of the investment targets, inspect the prices of financial asset investment, changes in credit rating, and investment income from debt instruments.

#### **Completeness and Accuracy of Operating Revenue**

#### Matter Description

For accounting policies regarding the operating revenues, please see Note 4 (34) of the Consolidated Financial Statements; for accounting estimates and uncertainties for recording revenue, please see Note 5 of the Consolidated Financial Statements.

The operating revenue from retail chain of subsidiary Mercuries & Associates Ltd. and Whereas Simple Mart Retail Co., Ltd are primarily from establishing product information (including product name, purchasing costs, retail price, and promotions). The storefront sales POS system will record the product name, quantity, retail price per unit and total sales of each transaction, and the sales information of the day will be uploaded to the ERP system after closing each day. The data will be combined and sales revenue will be produced automatically. Each store also needs to prepare a daily cash report to show daily sales volume and payment method, and shall deposit cash into the bank accordingly.

Since the retail chain revenue has the characteristic of having multiple transactions with insignificant amount and is only reliant on the POS and ERP systems, the accuracy and reliability of the processing of above-mentioned combined data and recording of operating revenue possess material influence on the completeness and accuracy of the Company's operating revenue. Hence, we are of the opinion that the completeness and accuracy of operating revenue is one of the most significant matters in the audit for this period.

#### Primary Audit Procedures as Countermeasures

- 1. Sample whether new or updated product information in the main server has been appropriately approved and has been certified.
- 2.Sample whether approved new or updated product information in the main server has been inputted into the product page.
- 3. Sample whether product main server information is sent to the POS system of each store in a timely manner.
- 4.Sample whether POS system is sent to ERP system, and verify the daily closing figure and accounting information in stores.
- 5. Sample store daily cash revenue/expense table and relevant certificates.
- 6.Re conciliate cash deposit figure recorded in store daily accounts against bank deposits.

#### **Other Matter**

As stated in Note 4 of the Consolidated Financial Statements, We did not audit the financial statements on December 31, 2017 and 2016 of certain consolidated subsidiaries have. Those financial statements were audited by other independent accountants, whose reports thereon have been furished to us, and our opinion expressed herein, insofar as it related to amounts included in the financial statements, in which the total assets of those consolidated subsidiaries amounted to NT\$6,918,709 thousand and NT \$726,647 thousand, constituting of 0.65% and 0.08% of the consolidated total assets as of December 31, 2017 and 2016, respectively, and comprehensive income amounted to NT\$214,644 thousand and NT\$8,327 thousand, constituting of 0.65% and 0.08% of the consolidated comprehensive income for the years then ended respectively. Additionally, in Note 6 (13) it has been stated that investment under equity method from the Group have not been audited by us. Hence, our opinion for the above financial statements, on the information for reinvestment was soley on the reports of other independent accountants. The investments accounted for using equity method amounted to NT\$3,511,507 thousand and NT\$3,456,091 thousand

constituting of 0.33% and 0.36% of the consolidated total assets as of December 31, 2017 and 2016,respectively,and investment income amounted to NT\$197,946 thousand and NT\$140,386 thousand ,constituting of 5.18% and 3.72% of the consolidated profit before tax of December 31, 2017 and 2016,respectively.

We have audit and expressed an unqualified opinion on the parent company only financial statements of Mercuries & Associates Holding, Ltd. as at and for the years ended December 31, 2017 and 2016

### 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 Financial Supervisory Commission of the Republic of China, 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 supervisors), are responsible for overseeing the Group's financial reporting process.

#### Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2017 and are therefore the key audit matters. We describe these matters in our

auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Liu, Ke-Yi and Hsu, Kun-Shi.

BDO Taiwan Union & Co. March 23, 2018

#### CONSOLIDATED BALANCE SHEETS

December 31, 2017 and 2016

UNIT: NTD (In Thousands)

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Assets	Notes	December 31,2017	%	December 31,2016	%	Liabilities & Equity	Notes	December 31,2017	%	December 31,2016	%
Current assets						Current liabilities					
Cash and cash equivalents		\$62,317,586	5.81	\$58,487,469	6.04	Short-term loans		\$1,063,953	0.10	\$1,129,000	0.12
Financial assets at fair value		1,010,473	0.09	1,017,789	0.11	Short-term notes and bills payable		1,562,000	0.15	798,000	0.08
through profit or loss - current						Financial liabilities at fair value		-	-	801	-
Available-for-sale financial assets - current		306,139	0.03	263,996	0.03	through profit or loss - current					
Accounts receivable, net		9,878,148	0.92	9,877,380	1.02	Other Financial liabilities - current		-	-	-	-
Current income tax assets		14,531	-	438,955	0.05	Account payable		6,653,081	0.62	7,225,012	0.75
Inventories		3,737,331	0.35	3,915,157	0.40	Commission payable		1,386,986	0.13	2,230,866	0.23
Prepayments		713,529	0.07	528,788	0.05	Insurance claims payable		739,023	0.07	735,315	0.08
Reinsurance contract assets, net		260,794	0.02	225,572	0.02	Reinsurance claims payable		139,596	0.01	143,440	0.01
Other current assets		60,527	0.01	55,326	0.01	Income tax payable		1,904,329	0.18	116,450	0.01
Bills discounted and loans, net		74,253,510	6.92	75,022,307	7.74	Advanced receipts		699,920	0.07	1,404,457	0.14
Sub-total		152,552,568	14.22	149,832,739	15.47	Other current liabilities		69,452		158,406	0.02
						Sub-total		14,218,340	1.33	13,941,747	1.44
						Non-current liabilities					
						Financial liabilities at fair value		199,866	0.02	3,932,485	0.41
						through profit or loss - non-current		1,,,,,,,,,,,	0.02	2,722,102	0
						Bonds payable		7,500,000	0.70	7,500,000	0.77
Non-current assets						Long-term bank loans		8,865,000	0.83	8,590,000	0.89
Financial assets at fair value		6,546,186	0.61	1,352,986	0.14	Provisions non-current		937,089,751	87.38	851,318,401	87.87
through profit or loss - non-current		0,5 .0,100	0.01	1,552,500	0.1	Separate account products liabilities		58,359,226	5.44	45,199,655	4.67
Available-for-sale financial assets - non-current		190,705,368	17.78	209,876,784	21.66	Guarantee deposits		1,151,169	0.11	470,312	0.04
Held-to-maturity financial assets - non-current		110,673,145	10.32	68,470,707	7.07	Deferred income tax liabilities		670,717	0.06	541,364	0.05
Financial assets measured at cost - non-current		736,505	0.07	740,505	0.08	Other non-current liabilities		3,569,714	0.34	3,732,252	0.38
Investment in debt instrument without active		498,912,942	46.52	440,872,037	45.51	Sub-total		1,017,405,443	94.88	921,284,469	95.08
market - non-current		470,712,742	40.52	440,072,037	43.31	Total liabilities		1,031,623,783	96.21	935,226,216	96.52
Investments accounted for using equity method		3,515,185	0.33	3,456,091	0.26	Equity attributable to owners of the parent		1,031,023,763	70.21	755,220,210	70.52
		15,272,753	1.42	15,400,800	1.59	Share capital					
Property, plant and equipment Investment property, net		25,979,461	2.42	26,084,768	2.69	Common stock		7,654,617	0.71	7,153,989	0.74
Intangible assets		127,112	0.01	61,612	0.01	Capital surplus		1,012,896	0.71	1,032,182	0.74
Deferred income tax assets		2,626,225	0.01	723,838	0.01	Retained earnings		1,012,690	0.09	1,032,162	0.11
Other non-current assets		64,827,817	6.05	51,916,060	5.35	Legal reserve		1,914,653	0.18	1,709,702	0.18
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Sub-total Sub-total		919,922,699	85.78	818,956,188	84.53	Special reserve		1,224,317	0.11	2,091,174	0.22
						Unappropriated retained earnings		5,271,424	0.49	4,015,610	0.41
						Other equity interest		370,780	0.03	(1,350,612)	(0.14)
						Treasury stocks		(532,672)	(0.05)	(532,672)	(0.05)
						Total equity attributable to owners of the parent		16,916,015	1.56	14,119,373	1.47
						Non-controlling interests		23,935,469	2.23	19,443,338	2.01
						Total equity		40,851,484	3.79	33,562,711	3.48
Total assets		\$1,072,475,267	100.00	\$968,788,927	100.00	Total liabilities and equity		\$1,072,475,267	100.00	\$968,788,927	100.00

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOMES

For the Years Ended December 31, 2017 and 2016

UNIT: NTD (In Thousands) Item Notes 2016 Operating revenue Interest income \$29,570,712 12.37 \$26,136,992 12.73 Premiums income 134,578,504 56.32 133,904,021 65.20 Reinsurance commission income 82.257 0.03 89.902 0.04 577,249 0.24 481,993 0.24 Processing service fees income Share of profit of associates and join ventures accounted for using equity method 197,786 0.08 140,386 0.07 Separate account products revenues 16,252,851 6.80 9,041,217 4.40 Gains on financial assets (liabilities) at fair value through profit or loss 21,508,801 9.00 4,495,329 2.19 Realized gains on available-for-sale financial assets 6.712.193 2.81 5.796,216 2.82 Gains on financial assets (liabilities) measured at cost 14.994 0.01 25,393 0.01 2,167,017 0.91 161,415 Gains on investment in debt instrument without active market 0.08 Net revenue Sales revenue 25,259,561 10.57 23,763,645 11.57 Sales returns (34,959) (0.01)(69,617) (0.03)Sales discounts and allowances (3,673) (4,948)Rental income 98.669 0.04120,749 0.06 Service revenue 280,453 0.12 166,727 0.08 25,343 44,980 0.02 Construction revenue 0.01 Gain on disposal of investments 49,673 0.02 Gain on disposal of property, plant and equipment 27,684 0.01 Gain on investment property 505,194 0.21 491,854 0.24 Net changes in foreign exchange valuation reserve 895,933 0.37 407,645 0.20 Other income 239,153 0.11 125,077 0.06 Total operating revenue 238,955,722 100.00 205,368,649 100.00 Operating cost Interest expenses (134.015) (0.06)(151,442) (0.07)Underwriting expenses (52,532)(0.02)(56,513)(0.03)(9.830.633) (11.862.227) Commission expenses (4.11)(5.78)Insurance claims paid (48,631,193) (20.35) (48,799,139) (23.76) Net changes in other insurance liabilities (101,279,033) (42.38) (95,357,360) (46.43) (16,252,851) Separate account products expenses (6.80)(9,041,217) (4.40)Cost of goods sold (16,674,162) (6.98) (15,231,837) (7.42) Rental cost (15,741) (0.01)(15,200)(0.01)Service cost (12.899)(0.01)(14.083)(0.01)(0.02)Construction cost (43,482)(60.463)(0.03)Operating expenses (0.96) Selling expenses (2,766,400) (1.16) (1,970,585) General and administrative expenses (10,368,055)(4.34)(11,077,770) (5.39)Research and development expenses (164,967) (0.07)(153,890) (0.07)Loss on disposal of investments (18,709)(0.01)(3.224)Loss on disposal of property, plant and equipment (7,749) (0.12)(241,234)Impairment loss Foreign exchange loss (28,089,425) (11.76) (7,062,731) (3.44) (789,216) (0.32)(499,009) (0.24) Other expense Total operating cost (235,131,062) (98.40)(201,597,924) (98.16)3,770,725 Profit (loss) before tax from continuing operations 3,824,660 1.84 1.60 (427,664) (0.08)(0.18)(153,981)Income tax Net profit (loss) from continuing operations 3,396,996 1.42 3,616,744 1.76 3,396,996 1.42 3,616,744 1.76 Net profit (loss) for the year Other comprehensive income (loss) Items that will not be reclassified subsequently to profit or loss Re-measurement of defined benefit plans 14.319 0.01 70,285 0.03 Share of other comprehensive loss of subsidiaries and associates 27.996 0.01 (0.01) Income tax related to items that will not be reclassified subsequently (7.358)(14.683) Items that may be reclassified subsequently to profit or loss Exchange differences arising from translation of foreign operations 5,205 (51,483) (0.03)Unrealized Gains/(Losses) on Available-for-sale financial assets 3,664,806 1.53 1,181,950 0.58 Income tax related to items that may be reclassified subsequently (119,863) (0.05) 347,751 0.18 Other comprehensive income (loss) for the year, net of tax 3,585,105 1.50 1,533,820 0.75 Total comprehensive income for the year 6,982,101 5.150.564 Net profit (loss) attributable to Owners of parent 1.640.955 0.69 2.049.513 1.00 1.756.041 Non-controlling interests 0.73 1.567.231 0.76 Total 3,396,996 1.42 3,616,744 1.76 Total comprehensive income (loss) attributable to : 1.42 Owners of parent 3.389.212 2,866,570 1.40 3,592,889 1.50 2.283.994 Non-controlling interests 1.11 Total \$6,982,101 2.92 \$5,150,564 2.51 Earnings per share Income(loss) from continuing operations, net of tax \$2.27 \$2.84 Basic earnings (loss) per share \$2.27 \$2.84 \$2.27 \$2.83 Diluted earnings (loss) per share The pro forma net income and earnings per share if Accounting for treasury stock had not been adopted are as follows: 2,072,955 Pro forma income after income tax 1,669,671 Earnings (loss) per share 2.18 2.71

#### CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the Years Ended December 31, 2017 and 2016

UNIT: NTD (In Thousands)

	Stockholders' equity of Parent Company											
				Retained Earn	ings	Equity	Adjustments					
Summary	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign operations	Unrealized gain or loss on available-for-sale financial assets	Other	Treasury Stocks	Subtotal	Non-controlling interests	Total equity
Balance on January 1, 2016	\$6,813,409	\$965,886	\$1,562,230	\$744,776	\$4,142,859	\$25,974	\$(2,132,066)	\$3,585	\$(532,672)	\$11,593,981	\$17,086,129	\$28,680,110
Appropriation and distribution of retained earnings 2015												
Legal reserve	-	-	147,472	-	(147,472)	-	-	-	-	-	-	-
Special reserve	-	-	-	1,346,398	(1,346,398)	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(408,804)	-	-	-	-	(408,804)	-	(408,804)
Stock dividend	340,670	_	-	-	(340,670)	-	-	-	-	_	-	-
Effect of change in ratio of shareholding in investees	-	21,790	-	-	-	-	-	-	-	21,790	-	21,790
Effects of change in unappropriated retained earnings of investees	_	_	-	-	(262)	_	-	-	-	(262)	-	(262)
Effects of change in capital surplus of investees	_	21,177	-	-	-	_	-	-	-	21,177	-	21,177
Amortization of compensation cost of investees	_	_	-	-	-	_	-	921	-	921	_	921
Net profit for the year 2016	_	-	-	-	2,049,513	_	-	-	-	2,049,513	1,567,231	3,616,744
Other comprehensive income for the year 2016, net of tax	_	-	-	-	66,844	(39,799)	790,012	-	-	817,057	716,763	1,533,820
Dividends distributed to subsidiaries by parent	_	23,442	-	-	-	-	· -	-	-	23,442	_	23,442
Changes in non-controlling interests	_	_	-	-	-	_	-	-	-	· -	73,215	73,215
Amortization of compensation cost of restricted stock	_	_	_	_	_	_	_	558	_	558	_	558
Restricted stock cancellation	(90)	(113)	-	_	_	_	-	203	_	_	_	-
Balance on December 31, 2016	\$7,153,989	\$1,032,182	\$1,709,702	\$2,091,174	\$4,015,610	\$(13,825)	\$(1,342,054)	\$5,267	\$(532,672)	\$14,119,373	\$19,443,338	\$33,562,711
Appropriation and distribution of retained earnings 2016												
Legal reserve	_	-	204,951	-	(204,951)	_	-	-	-	_	_	_
Special reserve	_	-	_	(866,857)	866,857	_	-	-	-	_	_	_
Cash dividends	_	-	-	-	(500,779)	_	-	-	-	(500,779)	_	(500,779)
Stock dividend	500,778	-	-	-	(500,778)	_	-	-	-	-	_	-
Effect of change in ratio of shareholding in investees	_	(54,411)	-	-	(72,267)	-	_	-	-	(126,678)	-	(126,678)
Effects of change in unappropriated retained earnings of investees	_	-	-	-	(1,219)	_	-	-	-	(1,219)	_	(1,219)
Effects of change in capital surplus of investees	_	6,597	-	-	-	_	-	-	-	6,597	_	6,597
Amortization of compensation cost of investees	_	_	-	-	-	_	-	396	-	396	_	396
Net profit for the year 2017	_	-	-	-	1,640,955	_	-	-	-	1,640,955	1,756,042	3,396,997
Other comprehensive income for the year 2017, net of tax	_	-	-	-	27,996	7,384	1,712,877	-	-	1,748,257	1,836,847	3,585,104
Dividends distributed to subsidiaries by parent	-	28,716	-	-	-	´ -	-	-	-	28,716	-	28,716
Changes in non-controlling interests	-	_	-	-	-	-	-	-	-	_	899,242	899,242
Amortization of compensation cost of restricted stock	-	-	-	-	-	-	-	397	-	397	-	397
Restricted stock cancellation	(150)	(188)	-	-	-	-	-	338	-	-	-	-
Balance on December 31, 2017	\$7,654,617	\$1,012,896	\$1,914,653	\$1,224,317	\$5,271,424	\$(6,441)	\$370,823	\$6,398	\$(532,672)	\$16,916,015	\$23,935,469	\$40,851,484

#### CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2017 and 2016

Cash flowers from operating activities   S.3.234.660   S.3.777.725	Items	2017	UNIT: NTD (In Thousands) 2016
Asjanced increases increases in a comment of combet in accounts (1.05.827) (1	Cash flows from operating activities		**
facinity		\$3,824,660	\$3,770,725
Cain on eversal of allowance for doubtful accounts			
Nei changes in provisions for insurance Amoritazion Amoritazion Nei giuris (losses) on financial assets (labilities) at fair value through profit or loss Nei giuris (losses) on available-for sale financial assets Nei giuris (losses) on famical assets the sale and cot Nei giuris (losses) on famical assets measured at cot Nei giuris (losses) on famical assets measured at cot Nei giuris (losses) on famical assets measured at cot Nei giuris (losses) on famical assets measured at cot Nei giuris (losses) on famical assets measured at cot Nei giuris (losses) on famical assets measured at cot Nei giuris (losses) on famical assets measured at cot Nei giuris (losses) on famical assets measured at cot Nei giuris (losses) on famical assets measured at cot Nei giuris (losses) on famical assets measured at cot Nei giuris (losses) on famical assets measured at cot Nei giuris (losses) on famical assets (lability) (lability) Nei changes in ferrigin exchange valuation reserve Nei changes in ferrigin exchange valuation reserve Nei changes in ferrigin exchange valuation reserve Nei changes in ferrigin exchange giuri or loss Nei changes in ferrigin exchange giuri or loss Nei cash generated from concervity, plant and equipment Loss on liquidation shale insense poymen Nei changes in current assets and liabilities related to operating activities Nei cash generated from lorone and exception of the control of the contr	Gain on reversal of allowance for doubtful accounts	(55,877)	
Montification   130,167   138,591   Most gains (losses) on financial assets tiabilities) at fair value through profit or loss   1,405,702   1,405,70			
Net gains (dosses) on financial assets (flabilities) at fair value through profit or loss   C1,505,7023   C5,943,5329   Net gains (dosses) on available for sale financial assets in easters (c3,731,232)   C5,943,6329   Net gains (dosses) on available for sale financial assets in easters (c3,701,71)   C3,203,710   C1,203,710   C			
Net gains (losses) on available-for-sale financial assets Net gains (losses) on financial assets measured at cost (14,094) (25,393) Net gains (losses) on financial assets (24,507) (24,1234) Impulsional Conference on the Conference of Confer			
Net gains (losses) on held-o-maturity financial assets   (2,167,017)   (131,631)	Net gains (losses) on available-for-sale financial assets	(6,731,323)	(5,934,619)
Impairment loss			
Interest receives			
Net changes in forcign exchange valuation reserve   (895.933)   (407.645)   (10.386)	Interest expense		
Share of profit of associates and join ventures accounted for using equity method   (197.786)   (140.386)   (16.525)   (6.587)   (1.5825)   (6.587)   (1.5825)   (1			
Loss (gain) on disposal and retirement of property, plant and equipment   3,07   1,529     Expense transferred from property, plant and equipment   3,07   1,529     Unrealized foreign exchange gain or loss   3,000,466   1,239,256     Loss on liquidation   3,759   3,300     Net cash generated from Income and expenses having no effect on cash flows   80,807,865   74,365,631     Changes in current assets and liabilities related to operating activities   12,478,076   (270,491)     Changes in current assets related to operating activities   12,478,076   (370,491)     Changes in current assets and liabilities related to operating activities   177,826   (318,468)     Charcase object-rease in inventories   12,478,076   (370,491)     Charcase object-rease in inventories   177,826   (318,468)     Charcase object-rease in inventories   (30,000)   (30,000)     Charcase object-rease in inventories   (30,000)   (30,000)     Charcase object-rease in inventories   (30,000)   (30,000)     Charcase object-rease in observation and the current assets   (30,000)   (30,000)     Charcase object-rease in observation and the current assets   (30,000)   (30,000)     Charcase object-rease in observation and the current assets   (30,000)   (30,000)     Charcase object-rease in observation and the current assets related to operating activities   (2,000,000)   (30,000)   (30,000)     Charcase object-rease in account payable   (30,000)			
Expense transferred from property, plant and equipment   3,027   1,529   2,783   2,785   2,7			
Compensation cost of share-based payment   37,592   2,783   1,005		3,027	
Loss on liquidation   S.   3,302   Net cash generated from Income and expenses having no effect on cash flows   S.   5,436,5631   Changes in current asserts and liabilities related to operating activities   12,478,076   (470,491)   (170,467)   (170,467)   (170,470)			
Net cash generated from henome and expenses having no effect on each flows   1,247,0076   1,436,631		37,392	
Changes in current assets and liabilities related to operating activities         (17,49)           Changes in current assets related to operating activities         (12,478,076)         (470,491)           (Increase) decrease in financial assets as fair value through profit or loss         (12,945)         (678,173)           (Increase) decrease in infrancial assets as fair value through profit or loss         (194,027)         (101,429)           (Increase) decrease in in prepayments         (194,027)         (101,429)           (Increase) decrease in intersurance contract assets         11,796         (90,25)           (Increase) decrease in reinsurance contract assets         21,596,000         (164,501)           (Increase) decrease in neinsurance contract assets         12,596,000         (164,501)           (Increase) decrease in neinsurance contract assets         12,596,000         (164,501)           (Increase) decrease in nother non-current assets and institution operating activities         (180,501)         2,998,80           (Increase) decrease in other non-current liabilities related to operating activities         (17,046,671)         (1,083,010)           Net cash generated from changes in current liabilities related to operating activities         (17,046,671)         (1,083,010)           Net cash generated from changes in current liabilities related to operating activities         (1,046,071)         (1,083,010)		80.867.865	
Charcase/decrease in financial assets af fair value through profit or loss   12,478,076 (470,491)   Charcase/decrease in micentorics   177,826 (318,468)   Charcase/decrease in myentorics   177,826 (318,468)   Charcase/decrease in myentorics   178,262 (318,468)   Charcase/decrease in myentorics   178,262 (318,468)   Charcase/decrease in other current assets   18,209 (10,209)   Charcase/decrease in other current assets   12,596,508 (10,208)   Charcase/decrease in other current assets related to operating activities   12,596,508 (1,731,888)   Charcase/decrease in other current assets related to operating activities   12,596,508 (1,731,888)   Charcase/decrease in other current assets related to operating activities   (180,301) (212,101)   Charcase/decrease) in account payable   Charcase/decrease) in account payable   Charcase/decrease) in other on-current liabilities related to operating activities   (180,301) (212,101)   Charcase/decrease) in other on-current liabilities related to operating activities   (180,408,07) (218,408,07) (218,408,07) (218,408,07)   Charcase/decrease) in other on-current liabilities related to operating activities   (14,440,765) (218,413,088)   Charcase/decrease) in other on-current liabilities related to operating activities   (14,440,765) (218,413,088)   Charcase/decrease) in other on-current liabilities related to operating activities   (14,440,765) (218,413,088)   Charcase/decrease) in other on-current liabilities related to operating activities   (18,049,087) (218,048)   Charcase/decrease) in other on-current assets and liabilities related to operating activities   (18,049,087) (218,048)   Charcase/decrease in other on-current assets and liabilities related to operating activities   (18,049,087) (218,048)   Charcase/decrease in other on-current assets and liabilities related to operating activities   (18,049,087) (218,049,087) (218,049,087) (218,049,087) (218,049,087) (218,049,087) (218,049,087) (218,049,087) (218,049,087) (218,049,087) (218,049,087) (218,049,087) (218,049,087) (218	Changes in current assets and liabilities related to operating activities		
Charcase) decrease in accounts receivable   (129,463) (678,173)		12 479 076	(470,401)
Charcase)decrease in inventories   177,826   (318,468)   (Increase)decrease in inventories   194,027   (101,429)			
Cancerase) dicrease in other current assets   1,202   10,208   10,008   11,796   0,9025   10,008   11,796   0,9025   10,008   11,796   0,9025   10,008   1		177,826	
Chicrease/decrease in reinsurance contract assets			
Case			
Net cash generated from changes in current lasbitiste related to operating activities   1,286,063   2,099,362   1,000   1,00			
Increase(decrease) in account payable   (1,286,563)   2,099,362     Increase(decrease) in other non-current liabilities   (819,301)   212,101     Increase(decrease) in other non-current liabilities related to operating activities   (1,494,0807)   (3,994,473)     Net cash generated from changes in current assets and liabilities related to operating activities   (1,449,763)   (3,414,898)     Sub-total   Sub-total   (2,2466,814)   (2,2466			
Increase (decrease) in other non-current liabilities   (819,301)   (12,101)     Increase (decrease) in other non-current liabilities related to operating activities   (1,940,607)   (1,683,010)     Net cash generated from changes in current assets and liabilities related to operating activities   (4,449,763)   (3,444,808)     Sub-total   Cash flows from operating activities   (2,449,763)   (3,444,808)     Cash flows from operating activities   (2,048,610)   (2,048,783)     Interest received   2,466,814   1,778,865     Interest paid   (380,689,140)   (380,689,140)   (380,789,825)     Income taxes refund (paid)   (380,689,140)   (380,488)   (365,928)     Income taxes refund (paid)   (380,689,140)   (380,488)   (365,928)     Income taxes refund (paid)   (380,689,140)   (380,489,140)   (380,510,447)   (380,489,140)   (380,510,447)   (380,489,140)   (380,510,447)   (380,489,140)   (380,510,447)   (380,489,140)   (380,510,447)   (380,489,140)   (380,510,447)   (380,489,140)   (380,510,447)   (380,489,140)   (380,510,447)   (380,489,140)   (380,510,447)   (380,489,140)   (380,510,447)   (380,489,140)   (380,510,447)   (380,489,140)   (380,510,447)   (380,489,140)   (380,510,447)   (380,489,140)   (380,510,447)   (380,489,140)   (380,510,447)   (380,489,140)   (380,510,447)   (380,489,140)   (380,510,447)   (380,489,140)   (380,510,447)   (380		(1.206.562)	2,000,252
Net cash generated from changes in current liabilities related to operating activities   (17.04.6671)   (1.683.010)   (1.683.0			
Net cash generated from changes in current assets and liabilities related to operating activities   76,418,102   70,948,733   70,948,			
Sub-total         76,418,102         70,948,733           Cash flows from operating activities         20,194,120         18,079,825           Interest received         2,466,814         1,778,685           Dividends received         11,602         75,277           Net cash generated from (used in) operating activities         11,602         75,277           Net cash generated from (used in) operating activities         825,365         3,208,017           Cash flows from investing activities         825,365         3,208,017           Cash flows from investing activities         114,751,610         (161,025,351)           Proceeds from disposal of available-for-sale financial assets         174,751,610         (161,025,351)           Proceeds from return of capital on liquidation of available-for-sale financial assets         201,251,166         205,102,306           Proceeds from treturn of capital on liquidation of available-for-sale financial assets         (13,868,318)         (186,091,604)           Proceeds from treturn of capital on liquidation of available-for-sale financial assets         1(30,000,000)         (20,000,000)           Acquisition of Invastment in debt instrument without active market         23,541,714         65,807,849           Acquisition of financial assets measured at cost         49,7730         70,541           Acquisition of Invastments accounted f			
Cash flows from operating activities   18,079,825   18,079,825   10,000   18,079,825   10,000   18,079,825   10,000			
Interest received		/0,418,102	/0,948,/33
Income taxes refund (paid)	Interest received		
Net cash generated from (used in) operating activities			
Net cash generated from (used in) operating activities			
Cash flows from investing activities         825,365         (3,208,017)           Acquisition of Available-for-sale financial assets         (174,751,610)         (161,025,351)           Proceeds from disposal of available-for-sale financial assets         201,251,166         205,012,396           Proceeds from erturn of capital on liquidation of available-for-sale financial assets         -         2,796           Acquisition of Investment in debt instrument without active market         (21,300,756         5,771,943           Proceeds from disposal of investment in debt instrument without active market         25,541,714         65,807,849           Acquisition of Investment in debt instrument without active market         (20,494)         (207,500)           Acquisition of financial assets measured at cost         97,730         70,541           Acquisition of financial assets measured at cost         97,730         70,541           Acquisition of Investments accounted for using equity method         -         (20,075)           Acquisition of Investments accounted for using equity method         -         (80,009,340)           Acquisition of subsidiary(s) and assets of other company, net of cash         -         (20,075)           Acquisition of property, plant and equipment         85,974         10,064           Decrease in prepayments for equipment         85,974         10,064 <tr< td=""><td></td><td></td><td></td></tr<>			
Acquisition of Available-for-sale financial assets   201,251,166   2205,012,396     Proceeds from iterum of capital on liquidation of available-for-sale financial assets   201,251,166   2205,012,396     Proceeds from return of capital on liquidation of available-for-sale financial assets   2,796     Acquisition of Investment in debt instrument without active market   27,300,756   5,771,943     Proceeds from disposal of investment in debt instrument without active market   27,300,756   5,771,943     Proceeds from disposal of investment in debt instrument without active market   25,541,714   65,807,849     Acquisition of financial assets measured at cost   20,0,494   (207,500)     Proceeds from disposal of innancial assets measured at cost   97,730   70,541     Acquisition of Held-to-maturity financial assets measured at cost   48,009,840   39,510,447     Acquisition of Investments accounted for using equity method   - (30,000)     Acquisition of Investments accounted for using equity method   - (20,075)     Acquisition of property, plant and equipment   88,0592   (1,289,076)     Proceeds from disposal of property, plant and equipment   88,974   10,064     Decrease in prepayments for equipment   22,811   (66,986     Acquisition of intangible assets   (101,607)   (74,900)     Increase(decrease) in refundable deposits   30,106   73,513     Acquisition of intangible assets   (100,426,839)   (114,774,854)     Cash flows from (used in) financing activities   (65,047)   - (100,426,839)     Increase(decrease) in short-term notes and bills payable   764,000   182,000     Proceeds from long-term borrowings   (65,047)   - (10,622,591)     Increase(decrease) in short-term borrowings   (58,179,000)   (41,138,000)     Proceeds from long-term borrowings   (58,179,000)   (41,138,000)     Repayment of long-term borrowings   (58,179,000)   (41,138,000)     Decrease in Preferred stock liabilities   (59,040)   (59,144)     Increase(decrease) in non controlling interests   724,428   150,984     Increase(decrease) in non controllin			
Proceeds from disposal of available-for-sale financial assets         201,251,166         205,012,396           Proceeds from return of capital on liquidation of available-for-sale financial assets         -         2,796           Acquisition of Investment in debt instrument without active market         (131,868,318)         (186,091,604)           Proceeds from disposal of investment in debt instrument without active market         27,300,756         5,771,943           Acquisition of financial assets measured at cost         (20,494)         (207,500)           Proceeds from disposal of financial assets measured at cost         97,730         70,541           Acquisition of Held-to-maturity financial assets measured at cost         (48,009,840)         (39,510,447)           Acquisition of Held-to-maturity financial assets of other company net of cash         -         (20,075)           Acquisition of Investments accounted for using equity method         -         (30,000)           Acquisition of subsidiary(s) and assets of other company, net of cash         -         (20,075)           Acquisition of subsidiary(s) and assets of other company, net of cash         85,974         10,064           Decrease in prepayments for equipment         (830,592)         (1,289,076)           Proceeds from disposal of property, plant and equipment         (22,811)         (66,986)           Acquisition of intangible assets			
Proceeds from return of capital on liquidation of available-for-sale financial assets         2,796           Acquisition of Investment in debt instrument without active market         27,300,756         5,771,943           Proceeds from disposal of investment in debt instrument without active market         27,300,756         5,771,943           Proceeds from repayments of investment in debt instrument without active market         25,541,714         65,807,849           Acquisition of financial assets measured at cost         (20,494)         (207,500)           Proceeds from disposal of financial assets measured at cost         97,730         70,541           Acquisition of livestments accounted for using equity method         -         (30,000)           Acquisition of subsidiary(s) and assets of other company, net of cash         -         (20,075)           Acquisition of property, plant and equipment         (830,592)         (1,289,076)           Proceeds from disposal of property, plant and equipment         85,974         10,064           Decrease in prepayments for equipment         85,974         10,064           Acquisition of intangible assets         (101,607)         (74,900)           Increase(decrease) in refundable deposits         30,106         73,513           Net cash generated from (used in) investing activities         (55,047)         -           Increase(decrease) in			
Proceeds from disposal of investment in debt instrument without active market         27,300,756         5,71,943           Proceeds from repayments of investment in debt instrument without active market         25,541,714         65,807,849           Acquisition of financial assets measured at cost         (20,494)         (207,500)           Proceeds from disposal of financial assets measured at cost         97,730         70,541           Acquisition of Held-to-maturity financial assets         (48,009,840)         (33,000)           Acquisition of Investments accounted for using equity method         -         (20,075)           Acquisition of subsidiary(s) and assets of other company, net of cash         -         (20,075)           Proceeds from disposal of property, plant and equipment         (830,592)         (1,289,076)           Proceeds from disposal of property, plant and equipment         85,974         10,064           Decrease in prepayments for equipment         85,974         10,064           Acquisition of intangible assets         (101,607)         (74,900)           Increase(decrease) in refundable deposits         30,106         73,513           Net cash generated from (used in) investing activities         (65,047)         -           Increase(decrease) in short-term borrowings         (65,047)         -           Increase(decrease) in short-term borrowings	Proceeds from return of capital on liquidation of available-for-sale financial assets	· · · · -	2,796
Proceeds from repayments of investment in debt instrument without active market         25,541,714         65,807,849           Acquisition of financial assets measured at cost         (20,494)         (207,500)           Proceeds from disposal of financial assets         (97,730)         70,541           Acquisition of Held-to-maturity financial assets         (48,009,840)         (39,510,447)           Acquisition of Investments accounted for using equity method         -         (30,000)           Acquisition of subsidiary(s) and assets of other company, net of cash         -         (20,075)           Acquisition of property, plant and equipment         (830,592)         (1,289,076)           Decrease in prepayments for equipment         85,974         10,064           Decrease in prepayments for equipment         22,811         (66,986)           Acquisition of intangible assets         (101,607)         (74,900)           Increase(decrease) in refundable deposits         30,106         73,513           Net cash generated from (used in) investing activities         (65,047)         -           Local flows from used in) financing activities         (65,047)         -           Increase(decrease) in Short-term borrowings         (65,047)         -           Increase(decrease) in ong-term borrowings         (58,179,000)         41,190,000			
Acquisition of financial assets measured at cost         (20,494)         (207,500)           Proceeds from disposal of financial assets measured at cost         97,730         70,541           Acquisition of Held-to-maturity financial assets         (48,009,840)         (39,510,447)           Acquisition of Investments accounted for using equity method         -         (30,000)           Acquisition of Investments accounted for using equity method         -         (20,075)           Acquisition of property, plant and equipment         (830,592)         (1,289,076)           Proceeds from disposal of property, plant and equipment         85,974         10,064           Decrease in prepayments for equipment         85,974         10,064           Acquisition of intangible assets         (101,607)         (74,900)           Increase(decrease) in refundable deposits         30,106         73,513           Net cash generated from (used in) investing activities         (100,426,839)         (114,774,854)           Cash flows from (used in) financing activities         (65,047)         -           Increase(decrease) in short-term borrowings         (55,047)         1           Increase(decrease) in Short-term borrowings         (58,179,000)         41,190,000           Proceeds from long-term borrowings         (58,179,000)         (41,138,000)			
Proceeds from disposal of financial assets measured at cost         97,730         70,541           Acquisition of Held-to-maturity financial assets         (48,009,840)         (39,510,447)           Acquisition of Investments accounted for using equity method         -         (30,000)           Acquisition of subsidiary(s) and assets of other company, net of cash         -         (20,075)           Acquisition of property, plant and equipment         885,974         10,064           Decrease in prepayments for equipment         22,811         (66,986)           Acquisition of intangible assets         (101,607)         (74,900)           Increase(decrease) in refundable deposits         30,106         73,513           Net cash generated from (used in) investing activities         (100,426,839)         (114,774,854)           Cash flows from (used in) financing activities         (65,047)         -           Increase(decrease) in short-term borrowings         (65,047)         -           Increase(decrease) in short-term notes and bills payable         764,000         182,000           Proceeds from long-term borrowings         (58,179,000)         (41,138,000)           Decrease in Preferred stock liabilities         -         (1,692,591)           Cash dividends paid         (471,853)         (385,191)           Issuance of bonds payable			
Acquisition of Investments accounted for using equity method         -         (30,000)           Acquisition of subsidiary(s) and assets of other company, net of cash         -         (20,075)           Acquisition of property, plant and equipment         (830,592)         (1,289,076)           Proceeds from disposal of property, plant and equipment         85,974         10,064           Decrease in prepayments for equipment         22,811         (66,986)           Acquisition of intangible assets         (101,607)         (74,900)           Increase(decrease) in refundable deposits         30,106         73,513           Net cash generated from (used in) investing activities         (100,426,839)         (114,774,854)           Cash flows from (used in) financing activities         (65,047)         -           Increase(decrease) in short-term borrowings         (65,047)         -           Increase(decrease) in short-term notes and bills payable         764,000         182,000           Proceeds from long-term borrowings         (58,179,000)         (41,138,000)           Repayment of long-term borrowings         (58,179,000)         (41,138,000)           Decrease in Preferred stock liabilities         -         (1,692,591)           Cash dividends paid         (471,853)         (385,191)           Issuance of bonds payable			
Acquisition of subsidiary(s) and assets of other company, net of cash         -         (20,075)           Acquisition of property, plant and equipment         (830,592)         (1,289,076)           Proceeds from disposal of property, plant and equipment         85,974         10,064           Decrease in prepayments for equipment         22,811         (66,986)           Acquisition of intangible assets         (101,607)         (74,900)           Increase(decrease) in refundable deposits         30,106         73,513           Net cash generated from (used in) investing activities         (100,426,839)         (114,774,854)           Cash flows from (used in) financing activities         (65,047)         -           Increase(decrease) in short-term borrowings         (65,047)         -           Increase(decrease) in Short-term notes and bills payable         764,000         182,000           Proceeds from long-term borrowings         58,454,000         41,130,000           Repayment of long-term borrowings         (58,179,000)         (41,138,000)           Decrease in Preferred stock liabilities         -         (1,692,591)           Cash dividends paid         (471,853)         (385,191)           Issuance of bonds payable         -         2,500,000           Increase(decrease) in guarantee deposits received         680,858<		(48,009,840)	
Acquisition of property, plant and equipment         (830,592)         (1,289,076)           Proceeds from disposal of property, plant and equipment         85,974         10,064           Decrease in prepayments for equipment         22,811         (66,986)           Acquisition of intangible assets         (101,607)         (74,900)           Increase(decrease) in refundable deposits         30,106         73,513           Net cash generated from (used in) investing activities         (100,426,839)         (114,774,854)           Cash flows from (used in) financing activities         (50,047)         -           Increase(decrease) in short-term borrowings         (55,047)         -           Increase(decrease) in Short-term notes and bills payable         764,000         182,000           Proceeds from long-term borrowings         58,454,000         41,190,000           Repayment of long-term borrowings         (58,179,000)         (41,138,000)           Decrease in Preferred stock liabilities         -         (1,692,591)           Cash dividends paid         (471,853)         (385,191)           Issuance of bonds payable         -         2,500,000           Increase(decrease) in guarantee deposits received         680,858         25,816           Increase(decrease) in non controlling interests         724,428         1			
Decrease in prepayments for equipment Acquisition of intangible assets         22,811 (66,886) (74,900)         (66,986) (74,900)           Acquisition of intangible assets         30,106 (73,513)         73,513           Net cash generated from (used in) investing activities         (100,426,839)         (114,774,854)           Cash flows from (used in) financing activities         (65,047)         1           Increase(decrease) in short-term borrowings         (65,047)         182,000           Proceeds from long-term borrowings         58,454,000         41,190,000           Repayment of long-term borrowings         (58,179,000)         (41,138,000)           Decrease in Preferred stock liabilities         (74,900)         (1,692,591)           Cash dividends paid         (471,853)         (385,191)           Issuance of bonds payable         -         2,500,000           Increase(decrease) in guarantee deposits received         680,858         25,816           Increase(decrease) in unon controlling interests         724,428         150,984           Net cash generated from (used in) financing activities         1,907,386         833,018           Effect of exchange rate         14,760         (39,144)           Net increase(decrease) in cash and cash equivalents         58,487,469         78,331,686		(830,592)	( -,,
Acquisition of intangible assets         (101,607)         (74,900)           Increase(decrease) in refundable deposits         30,106         73,513           Net cash generated from (used in) investing activities         (100,426,839)         (114,774,854)           Cash flows from (used in) financing activities         (65,047)         -           Increase(decrease) in short-term borrowings         764,000         182,000           Proceeds from long-term borrowings         58,454,000         41,190,000           Repayment of long-term borrowings         (58,179,000)         (41,138,000)           Decrease in Preferred stock liabilities         (1,692,591)         (385,191)           Cash dividends paid         (471,853)         (385,191)           Issuance of bonds payable         -         2,500,000           Increase(decrease) in guarantee deposits received         680,858         25,816           Increase(decrease) in non controlling interests         724,428         150,984           Net cash generated from (used in) financing activities         1,907,386         833,018           Effect of exchange rate         14,760         (39,144)           Net increase(decrease) in cash and cash equivalents         58,487,469         78,331,686			
Increase(decrease) in refundable deposits         30,106         73,513           Net cash generated from (used in) investing activities         (100,426,839)         (114,774,854)           Cash flows from (used in) financing activities         (65,047)         -           Increase(decrease) in short-term borrowings         (65,047)         -           Increase(decrease) in Short-term notes and bills payable         764,000         182,000           Proceeds from long-term borrowings         (58,179,000)         (41,138,000)           Repayment of long-term borrowings         (58,179,000)         (41,138,000)           Decrease in Preferred stock liabilities         -         (1,692,591)           Cash dividends paid         (471,853)         (385,191)           Issuance of bonds payable         -         2,500,000           Increase(decrease) in guarantee deposits received         680,858         25,816           Increase(decrease) in non controlling interests         724,428         150,984           Net cash generated from (used in) financing activities         1,907,386         833,018           Effect of exchange rate         14,760         (39,144)           Net increase(decrease) in cash and cash equivalents         58,487,469         78,331,686			
Net cash generated from (used in) investing activities         (100,426,839)         (114,774,854)           Cash flows from (used in) financing activities         (65,047)         -           Increase(decrease) in short-term borrowings         764,000         182,000           Proceeds from long-term borrowings         58,454,000         41,190,000           Repayment of long-term borrowings         (58,179,000)         (41,138,000)           Decrease in Preferred stock liabilities         -         (1,692,591)           Cash dividends paid         (471,853)         (385,191)           Issuance of bonds payable         -         2,500,000           Increase(decrease) in guarantee deposits received         680,858         25,816           Increase(decrease) in non controlling interests         724,428         150,984           Net cash generated from (used in) financing activities         1,907,386         833,018           Effect of exchange rate         14,760         (39,144)           Net increase(decrease) in cash and cash equivalents         58,487,469         78,331,686			
Increase(decrease) in short-term borrowings	Net cash generated from (used in) investing activities		
Increase(decrease) in Short-term notes and bills payable         764,000         182,000           Proceeds from long-term borrowings         58,454,000         41,190,000           Repayment of long-term borrowings         (58,179,000)         (41,138,000)           Decrease in Preferred stock liabilities         -         (1,692,591)           Cash dividends paid         (471,853)         (385,191)           Issuance of bonds payable         -         2,500,000           Increase(decrease) in guarantee deposits received         680,858         25,816           Increase(decrease) in non controlling interests         724,428         150,984           Net cash generated from (used in) financing activities         1,907,386         833,018           Effect of exchange rate         14,760         (39,144)           Net increase(decrease) in cash and cash equivalents         3,830,117         (19,844,217)           Cash and cash equivalents at beginning of year         58,487,469         78,331,686		(65.047)	
Proceeds from long-term borrowings         58,454,000         41,190,000           Repayment of long-term borrowings         (58,179,000)         (41,138,000)           Decrease in Preferred stock liabilities         - (1,692,591)           Cash dividends paid         (471,853)         (385,191)           Issuance of bonds payable         - 2,500,000           Increase(decrease) in guarantee deposits received         680,858         25,816           Increase(decrease) in non controlling interests         724,428         150,984           Net cash generated from (used in) financing activities         1,907,386         833,018           Effect of exchange rate         14,760         (39,144)           Net increase(decrease) in cash and cash equivalents         3,830,117         (19,844,217)           Cash and cash equivalents at beginning of year         58,487,469         78,331,686			182 000
Repayment of long-term borrowings         (58,179,000)         (41,138,000)           Decrease in Preferred stock liabilities         -         (1,692,591)           Cash dividends paid         (471,853)         (385,191)           Issuance of bonds payable         -         2,500,000           Increase(decrease) in guarantee deposits received         680,858         25,816           Increase(decrease) in non controlling interests         724,428         150,984           Net cash generated from (used in) financing activities         1,907,386         833,018           Effect of exchange rate         14,760         (39,144)           Net increase(decrease) in cash and cash equivalents         3,830,117         (19,844,217)           Cash and cash equivalents at beginning of year         58,487,469         78,331,686			
Cash dividends paid         (471,853)         (385,191)           Issuance of bonds payable         -         2,500,000           Increase(decrease) in guarantee deposits received         680,858         25,816           Increase(decrease) in non controlling interests         724,428         150,984           Net cash generated from (used in) financing activities         1,907,386         833,018           Effect of exchange rate         14,760         (39,144)           Net increase(decrease) in cash and cash equivalents         3,830,117         (19,844,217)           Cash and cash equivalents at beginning of year         58,487,469         78,331,686		(58,179,000)	
Issuance of bonds payable         2,500,000           Increase(decrease) in guarantee deposits received         680,858         25,816           Increase(decrease) in non controlling interests         724,428         150,984           Net cash generated from (used in) financing activities         1,907,386         833,018           Effect of exchange rate         14,760         (39,144)           Net increase(decrease) in cash and cash equivalents         3,830,117         (19,844,217)           Cash and cash equivalents at beginning of year         58,487,469         78,331,686		(471.952)	
Increase(decrease) in guarantee deposits received         680,858         25,816           Increase(decrease) in non controlling interests         724,428         150,984           Net cash generated from (used in) financing activities         1,907,386         833,018           Effect of exchange rate         14,760         (39,144)           Net increase(decrease)in cash and cash equivalents         3,830,117         (19,844,217)           Cash and cash equivalents at beginning of year         58,487,469         78,331,686		(4/1,853)	
Increase(decrease) in non controlling interests         724,428         150,984           Net cash generated from (used in) financing activities         1,907,386         833,018           Effect of exchange rate         14,760         (39,144)           Net increase(decrease)in cash and cash equivalents         3,830,117         (19,844,217)           Cash and cash equivalents at beginning of year         58,487,469         78,331,686	Increase(decrease) in guarantee deposits received		25,816
Effect of exchange rate       14,760       (39,144)         Net increase(decrease)in cash and cash equivalents       3,830,117       (19,844,217)         Cash and cash equivalents at beginning of year       58,487,469       78,331,686	Increase(decrease) in non controlling interests		
Net increase(decrease)in cash and cash equivalents         3,830,117         (19,844,217)           Cash and cash equivalents at beginning of year         58,487,469         78,331,686			
Cash and cash equivalents at beginning of year 58,487,469 78,331,686			
Cash and cash equivalents at the end of year         \$62,317,586         \$58,487,469	Cash and cash equivalents at beginning of year	58,487,469	78,331,686
	Cash and cash equivalents at the end of year	\$62,317,586	\$58,487,469

## Mercuries & Associates Holding, Ltd. 2017 Earnings Distribution Table

Unit: NTD

	Amount		
Item	Subtotal	Total	
Beginning retained earnings		3,675,959,373	
Add: changes in undistributed income in investment targets(Note 1)	(45,490,450)		
Add: reversal of special earnings reserve (Note 2)	910,324,042		
Add: net profit after tax in this period	1,640,954,598		
Distributable earnings		6,181,747,563	
Minus: reporting statutory surplus reserve	(164,095,460)		
distributable items			
shareholders Dividend: Cash (NT\$0.8 per share) (Note 2)	(612,369,399)		
: Shares(NT\$0.8 per share) (Note 2)	(612,369,390)		
Unappropriated retained earnings		4,792,913,314	

Note 1: changes in undistributed income in investment targets refers to actuarial loss or profit resulting from confirmation of welfare plan and change in ownershipercentage.

Note 2: earnings in 2017 will be distributed first to shareholders as dividend.

## Mercuries & Associates Holding, Ltd. Comparison Table for the Rules and Procedures of Board of Director Meetings Before and After Amendment

Director Meetings Before and After Amendment					
After the Amendment	Before the Amendment	Description			
Article 2:	Article 2:	The Audit Committee			
A board of director meeting shall be	A board of director meeting shall be	has been established,			
notified to each Director and Supervisor at	notified to each Director and Supervisor at	so the existing			
least seven days in advance. The notice	least seven days in advance. The notice	supervisor system is			
shall specify the place and time of the	shall specify the place and time of the	canceled.			
board of director meeting and the reasons	board of director meeting and the reasons				
for calling the board of director meeting. In	for calling the board of director meeting.				
emergency circumstances, however, a	In emergency circumstances, however, a				
meeting may be called on shorter notice.	meeting may be called on shorter notice.				
Directors shall not raise any objections if	Directors shall not raise any objections if				
they are notified of a board of director	they are notified of a board of director				
meeting within seven days in advance. The	meeting within seven days in advance.				
notice set forth in this Article may be	The notice set forth in this Article may be				
effected by means of electronic	effected by means of electronic				
transmission, after obtaining the prior	transmission, after obtaining the prior				
consent from the recipients thereof.	consent from the recipients thereof.				
Article 3:	Article 3:	The expression of this			
(Paragraphs 1 to 3 are omitted.)	(Paragraphs 1 to 3 are omitted.)	paragraph is slightly			
A director of the opinion that the	A director of the opinion that the	amended.			
pre-meeting materials provided are	pre-meeting materials provided are				
insufficiently comprehensive may request	insufficiently comprehensive may request				
the agenda working group to supplement	the agenda working group to supplement				
the materials <del>, and the agenda working</del>	the materials, and the agenda working				
group shall not refuse. If a director is of the	group shall not refuse. If a director is of				
opinion that materials concerning any	the opinion that materials concerning any				
proposal are insufficient in content, he/she	proposal are insufficient in content, he/she				
may propose postponing the deliberation	may propose postponing the deliberation				
of such proposal to the deliberation of such	of such proposal to the Board of Directors.				
proposal may be postponed by a resolution					
of the Board of Directors.					
Article 5:	Article 5:	The Audit Committee			
(Paragraph 1 is omitted.)	(Paragraph 1 is omitted.)	has been established,			
When the Chairman of the Board is on	When the Chairman of the Board is on	so the existing			
leave or for any reason unable to exercise	leave or for any reason unable to exercise	supervisor system is			
the powers of the Chairman, the vice	the powers of the Chairman, the vice	canceled.			
Chairman shall represent in place of the	Chairman shall represent in place of the				
Chairman; if there is no vice Chairman or	Chairman; if the vice Chairman is also on				

After the Amendment	Before the Amendment	Description
the vice Chairman is also on leave or for	leave or for any reason unable to exercise	•
any reason unable to exercise the power of	the power of the vice Chairman, the	
the vice Chairman, the Chairman shall	Chairman shall appoint one of the	
appoint one of the Directors to represent as	Directors to represent as the Chairman.	
the Chairman. Where the Chairman does	Where the Chairman does not make such a	
not make such a designation, the Directors	designation, the Directors shall elect one	
shall elect one person from among	person from among themselves to	
themselves to represent as the Chairman.	represent as the Chairman.	
(Paragraphs 3 to 5 are omitted.)	(Paragraphs 3 to 5 are omitted.)	
Supervisors of the Company may attend	Supervisors of the Company may attend	
the meeting of the Board of Directors to	the meeting of the Board of Directors to	
express their opinions; however, they are	express their opinions; however, they are	
not allowed to vote.	not allowed to vote.	
Article 6-2:	Article 6-2:	This article is
The Company shall submit the following	The Company shall submit the following	amended in
items for discussion by the Board of	items for discussion by the Board of	accordance with the
Directors:	Directors:	amendment to the
1. (Omitted)	1. (Omitted)	Regulations
2. (Omitted)	2. (Omitted)	Governing Procedure
3. Adoption or amendment of an internal	3. Adoption or amendment of an internal	for Board of Directors
control system pursuant to Article 14-1	control system in accordance with	Meetings of Public
of the Securities and Exchange Act, and	Article 14-1 of the Securities and	Companies:
assessment of the effectiveness of the	Exchange Act.	1.Considering the
internal control system.	4. (Omitted)	assessment of the
4. (Omitted)	5. (Omitted)	effectiveness of
5. (Omitted)	6. (Omitted)	the internal
6. (Omitted)	7. (Omitted)	control system
7. (Omitted)	8. (Omitted)	within the
8. (Omitted)	(Paragraphs 2 to 4 are omitted.)	authority of the
(Paragraphs 2 to 4 are omitted.)	If the Company has independent	Audit
If the Company has independent Directors,	Directors, each independent director shall	Committee, as
At least one independent director shall	attend in person any meeting concerning a	prescribed in
attend each board of director meeting in	matter that requires a resolution by the	Article 14-5 of
person; each all independent directors shall	Board of Directors under Article 14-3 of	the Securities
attend in person any board of director	the Securities and Exchange Act, or shall	and Exchange
meeting concerning a matter that requires a	appoint another independent director to	Act, is also a
resolution by the Board of Directors under	attend as his or her proxy. If an	significant
Article 14-3 of the Securities and	independent director objects to or	matter that shall
Exchange Act, Paragraph 1. When an	expresses reservations about the matter, it	be proposed to
independent director is unable to attend, he	shall be recorded in the Board meeting	the Board for
or she or shall appoint another independent	minutes; an independent director	discussion, it is
director to attend as his or her proxy. If an	intending to express any objection or	added to

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After the Amendment	Before the Amendment	Description Section 2
independent director objects to or	reservation but unable to attend the	Subparagraph 3,
expresses reservations about the matter, it	meeting in person shall, unless there is	Paragraph 1.
shall be recorded in the Board meeting	some legitimate reason to do otherwise,	2.To clarify the
minutes; an independent director intending	issue a written opinion in advance, which	authority of
to express any objection or reservation but	shall be recorded in the meeting minutes.	independent
unable to attend the meeting in person		Directors and
shall, unless there is some legitimate		further improve
reason to do otherwise, issue a written		their
opinion in advance, which shall be		participation in
recorded in the meeting minutes.		the Board of
		Directors,
		Paragraph 5 is
		amended to
		stipulate that at
		least one
		independent
		director shall
		attend each board
		of director
		meeting in
		person; each
		independent
		director shall
		attend in person
		any board of
		director meeting
		concerning a
		matter that shall
		be proposed to
		the Board of
		Directors for
		resolution under
		Paragraph 1, or
		shall appoint
		another
		independent
		director to attend
		as his or her
A .: 1 . 7	A .: 1. 7	proxy.
Article 7:	Article 7:	The Audit Committee
Minutes shall be prepared of the	Minutes shall be prepared of the	has been established,
discussions at board of director meetings.	discussions at board of director meetings.	so the existing

After the Amendment	Before the Amendment	Description
The meeting minutes shall record the	The meeting minutes shall record the	supervisor system is
following:	following:	canceled.
1. (Omitted)	1. (Omitted)	
2. (Omitted)	2. (Omitted)	
3. (Omitted)	3. (Omitted)	
4. (Omitted)	4. (Omitted)	
5. (Omitted)	5. (Omitted)	
6. (Omitted)	6. (Omitted)	
7. Discussion items: the method of	7. Discussion items: the method of	
resolution and the result for each	resolution and the result for each	
proposal; a summary of the comments	proposal; a summary of the comments	
made by Directors, Supervisors,	made by Directors, Supervisors,	
experts, or other persons; the name of	experts, or other persons; the name of	
any director that is an interested party as	any director that is an interested party	
referred to in Paragraph 1 of Article 10,	as referred to in Paragraph 1 of Article	
an explanation of the important aspects	10, an explanation of the important	
of the relationship of interest, the	aspects of the relationship of interest,	
reasons why the director was required or	the reasons why the director was	
not required to enter recusal, and the	required or not required to enter	
status of their recusal; opinions	recusal, and the status of their recusal;	
expressing objections or reservations at	opinions expressing objections or	
the meeting that were included in	reservations at the meeting that were	
records or stated in writing; and any	included in records or stated in writing;	
opinion issued in writing by an	and any opinion issued in writing by an	
independent director under Paragraph 2,	independent director under Paragraph	
Article 7.	2, Article 7.	
8. Extraordinary motions: the name of the	8. Extraordinary motions: the name of the	
mover; the method of resolution and the	mover; the method of resolution and the	
result for each motion; a summary of the	result for each motion; a summary of	
comments made by Directors,	the comments made by Directors,	
Supervisors, experts, or other persons;	Supervisors, experts, or other persons;	
the name of any director that is an	the name of any director that is an	
interested party as referred to in	interested party as referred to in	
Paragraph 1 of Article 10, an	Paragraph 1 of Article 10, an	
explanation of the important aspects of	explanation of the important aspects of	
the relationship of interest, the reasons	the relationship of interest, the reasons	
why the director was required or not	why the director was required or not	
required to enter recusal, and the status	required to enter recusal, and the status	
of their recusal; opinions expressing	of their recusal; opinions expressing	
objections or reservations at the meeting	objections or reservations at the	
that were included in records or stated in	meeting that were included in records	
writing.	or stated in writing.	

After the Amendment	Before the Amendment	Description
9. Other matters required to be recorded.	9. Other matters required to be recorded.	•
The attendance book constitutes a part of	The attendance book constitutes a part of	
the minutes of each board of director	the minutes of each board of director	
meeting and shall be preserved	meeting and shall be preserved	
permanently.	permanently.	
The production and distribution of the	The production and distribution of the	
meeting minutes referred to in Paragraph 1	meeting minutes referred to in Paragraph	
may be done in an electronic form.	1 may be done in an electronic form.	
Any resolutions passed at a meeting of the	Any resolutions passed at a meeting of the	
Board of Directors shall be stated in the	Board of Directors shall be stated in the	
meeting minutes. The minutes of a board	meeting minutes. The minutes of a board	
of director meeting shall bear the signature	of director meeting shall bear the	
or seal of both the chairperson and the	signature or seal of both the chairperson	
minute taker; a copy of the minutes shall	and the minute taker; a copy of the	
be distributed to each Director, Supervisor,	minutes shall be distributed to each	
and attendant within 20 days after the	Director, Supervisor, and attendant within	
meeting and permanently preserved by the	20 days after the meeting and permanently	
Company.	preserved by the Company.	
Article 8:	Article 8:	The expression is
In case of any disputes over proposals at a	In case of any disputes over proposals at a	slightly amended.
board of director meeting, they shall be	board of director meeting, they shall be	
fully discussed by the Directors and put to	fully discussed by the Directors and put to	
voting by the chairperson.	voting by the chairperson.	
Any matter about which an independent	Any matter about which an independent	
director expresses an objection or	director expresses an objection or	
reservation that has been included in	reservation that has been included in	
records or stated in writing in relation to a	records or stated in writing in relation to a	
resolution passed at a meeting of the Board	resolution passed at a meeting of the Board	
of Directors shall be stated in the meeting	of Directors shall be stated in the meeting	
minutes and within two days of the	minutes and within two days of the meeting	
meeting be published on an information	be published on an information reporting	
reporting website designated by the	website designated by the authority in	
authority in charge.	charge.	
Any of the following matters in relation to		
a resolution passed at a board of director		
meeting shall be stated in the meeting		
minutes and within two days of the		
meeting be published on the Market		
Observation Post System designated by the		
Financial Supervisory Commission:		
1. Any matter about which an independent		
director expresses dissenting or		

After the Amendment	<b>Before the Amendment</b>	Description
qualified opinions that have been		
included in records or stated in writing.		
2. Any matter that has not been passed by		
the audit committee, but has been		
adopted with the approval of two-thirds		
or more of all Board Directors.		

# Mercuries & Associates Holding, Ltd. Comparison Table for the Corporate Governance Best Practice Principles Before and After Amendment

After the Assessment Before the Assessment Branch and B						
After the Amendment	Before the Amendment	Description				
Article 2	Article 2	The Audit Committee				
When setting up a corporate governance	When setting up a corporate governance	has been established,				
system, in addition to complying with	system, in addition to complying with	so the existing				
relevant laws, regulations, articles of	relevant laws, regulations, articles of	supervisor system is				
incorporation, contracts signed with the	incorporation, contracts signed with the	canceled.				
TWSE or TPEx, and other relevant	TWSE or TPEx, and other relevant					
regulations, the Company shall follow the	regulations, the Company shall follow the					
following principles:	following principles:					
1. Ensure shareholders' rights and	1. Ensure shareholders' rights and					
interests.	interests.					
2. Improve the function of the Board of	2. Improve the function of the Board of					
Directors.	Directors.					
3. Fulfill the function of <del>Supervisors</del> the	3. Fulfill the function of Supervisors.					
Audit Committee.	4. Respect stakeholders' rights and					
4. Respect stakeholders' rights and	interests.					
interests.	5. Improve information transparency.					
5. Improve information transparency.						
Article 3	Article 3	The Audit Committee				
(Paragraph 1 is omitted.)	(Paragraph 1 is omitted.)	has been established,				
The adoption or amendment of the	The adoption or amendment of the	so the existing				
internal control system of the Company	internal control system shall be submitted	supervisor system is				
shall be subject to the consent of one-half	to the Board of Directors for approval by	canceled; in addition,				
or more of all members of the Audit	resolution unless an approval has been	Paragraph 4 is added.				
Committee and submitted to the Board of	obtained from the authority in charge.					
Directors for approval unless an approval	When an independent director has a	There is an addition to				
has been obtained from the authority in	dissenting opinion or qualified opinion, it	Paragraph 3 in				
charge. When an independent director	shall be noted in the minutes of a board of	accordance with the				
has a dissenting opinion or qualified	director meeting.	Corporate				
opinion, it shall be noted in the minutes of	_	Governance Best				
a board of director meeting.		Practice Principles for				
The Company shall perform		TWSE/TPEx Listed				
self-assessments of the internal control	The Company shall perform	Companies.				
system. The Board of Directors and	self-assessments of the internal control	_				
management shall review the results of	system. The Board of Directors and					
self-assessments performed by each	management shall review the results of					
department at least annually and the	self-assessments performed by each					
reports of the internal audit department	department at least annually and the					

After the Amendment	Before the Amendment	Description
on a quarterly basis. The Audit	reports of the internal audit department	
Committee or Supervisors shall also	on a quarterly basis. The Audit	
attend to and supervise these matters. The	Committee or Supervisors shall also	
Company shall establish channels and	attend to and supervise these matters.	
mechanisms of communication between	(The following is omitted.)	
the independent Directors, the Audit		
Committee, and chief internal auditors.		
Directors shall periodically hold		
discussions with their internal auditors		
about reviews of internal control system		
deficiencies. A record of the discussions		
shall be kept, and the discussions shall be		
followed up, improvements		
implemented, and a report submitted to		
the Board of Directors.		
The assessment of the effectiveness of		
the internal control system shall be		
subject to the consent of one-half or more		
of all members of the Audit Committee		
and submitted to the Board of Directors		
for approval.		
(The following is omitted.)		
Article 3-1	Article 3-1	The Audit Committee
(Paragraph 1 is omitted.)	(Paragraph 1 is omitted.)	has been established,
The corporate governance affairs	The corporate governance affairs	so the existing
mentioned in the preceding paragraph	mentioned in the preceding paragraph	supervisor system is
include at least the following items:	include at least the following items:	canceled.
1. (Omitted)	1. (Omitted)	
2. (Omitted)	2. (Omitted)	
3. (Omitted)	3. (Omitted)	
4. Furnish information required for	4. Furnish information required for	
business execution by Directors and	business execution by Directors and	
Supervisors, and update them on	Supervisors, and update them on	
developments of laws and regulations	developments of laws and regulations	
relating to the operation of the	relating to the operation of the	
Company in order to assist them with	Company in order to assist them with	
legal compliance.	legal compliance.	
5. (Omitted)	5. (Omitted)	
6. (Omitted)	6. (Omitted)	
Article 6	Article 6	The Audit Committee
The Board of Directors of the Company	The Board of Directors of the Company	has been established,

After the Amendment	Before the Amendment	Description
shall properly arrange the agenda items	shall properly arrange the agenda items	so the existing
and procedures for shareholders'	and procedures for shareholders'	supervisor system is
meetings, and formulate the principles	meetings, and formulate the principles	canceled.
and procedures for shareholders'	and procedures for shareholders'	
nominations of Directors and Supervisors	nominations of Directors and Supervisors	
and submissions of shareholder	and submissions of shareholder	
proposals. The Board of Directors shall	proposals. The Board of Directors shall	
also properly handle the proposals duly	also properly handle the proposals duly	
submitted by shareholders. Arrangements	submitted by shareholders. Arrangements	
shall be made to hold shareholders'	shall be made to hold shareholders'	
meetings at a convenient location, with	meetings at a convenient location, with	
sufficient time allowed and sufficient	sufficient time allowed and sufficient	
numbers of suitable employees assigned	numbers of suitable employees assigned	
to handle attendance registrations. No	to handle attendance registrations. No	
arbitrary requirements shall be imposed	arbitrary requirements shall be imposed	
on shareholders to provide additional	on shareholders to provide additional	
evidentiary documents beyond those	evidentiary documents beyond those	
showing eligibility to attend.	showing eligibility to attend.	
Shareholders shall be granted reasonable	Shareholders shall be granted reasonable	
time to deliberate each proposal and an	time to deliberate each proposal and an	
appropriate opportunity to make	appropriate opportunity to make	
statements.	statements.	
For a shareholders' meeting called by the	For a shareholders' meeting called by the	
Board of Directors, it is advisable that the	Board of Directors, it is advisable that the	
Chairman of the Board chair the meeting,	Chairman of the Board chair the meeting,	
that a majority of the Directors (including	that a majority of the Directors (including	
at least one independent director) and at	at least one independent director) and at	
least one supervisor attend in person, and	least one supervisor attend in person, and	
that at least one member of each	that at least one member of each	
functional committee attend as	functional committee attend as	
representative. Attendance details shall	representative. Attendance details shall	
be recorded in the shareholders meeting	be recorded in the shareholders meeting	
minutes.	minutes.	
Article 7	Article 7	The Audit Committee
(Paragraph 1 is omitted.)	(Paragraph 1 is omitted.)	has been established,
The Company that employs electronic	The Company that employs electronic	so the existing
voting at a shareholders' meeting is	voting at a shareholders' meeting is	supervisor system is
advised to avoid raising extraordinary	advised to avoid raising extraordinary	canceled.
motions and amendments to original	motions and amendments to original	
proposals, and is advised to adopt a	proposals, and is advised to adopt a	
candidate nomination system for the	candidate nomination system for the	
election of Directors-and Supervisors.	election of Directors and Supervisors.	

After the Amendment	Before the Amendment	Description
(The following is omitted.)	(The following is omitted.)	•
Article 8	Article 8	The Audit Committee
The Company shall record the date and	The Company shall record the date and	has been established,
place of the meeting, the name of the	place of the meeting, the name of the	so the existing
chairperson, the method of adopting	chairperson, the method of adopting	supervisor system is
resolutions, and a summary of the	resolutions, and a summary of the	canceled.
essential points of the proceedings and	essential points of the proceedings and	
the results of the meeting in the minutes	the results of the meeting in the minutes	
of the shareholders' meeting in	of the shareholders' meeting in	
accordance with the Company Act and	accordance with the Company Act and	
related laws and regulations. With respect	related laws and regulations. With respect	
to the election of Directors and	to the election of Directors and	
Supervisors, the method of voting	Supervisors, the method of voting	
adopted therefore and the total number of	adopted therefore and the total number of	
votes for the elected Directors or	votes for the elected Directors or	
Supervisors shall be recorded on the	Supervisors shall be recorded on the	
meeting minutes.	meeting minutes.	
(The following is omitted.)	(The following is omitted.)	
Article 11	Article 11	The Audit Committee
Shareholders shall be entitled to profit	Shareholders shall be entitled to profit	has been established,
distributions by the Company. To ensure	distributions by the Company. To ensure	so the existing
the investment interests of shareholders,	the investment interests of shareholders,	supervisor system is
the shareholders' meeting may, pursuant	the shareholders' meeting may, pursuant	canceled.
to Article 184 of the Company Act,	to Article 184 of the Company Act,	
examine the statements and books	examine the statements and books	
prepared and submitted by the Board of	prepared and submitted by the Board of	
Directors and the reports submitted by	Directors and the reports submitted by	
the Audit Committee or Supervisors, and	the Audit Committee or Supervisors, and	
may decide profit distributions and	may decide profit distributions and	
deficit off-setting plans by resolution. To	deficit off-setting plans by resolution. To	
proceed with the above examination, the	proceed with the above examination, the	
shareholders' meeting may appoint an	shareholders' meeting may appoint an	
inspector.	inspector.	
The shareholders may, pursuant to	The shareholders may, pursuant to	
Article 245 of the Company Act, apply	Article 245 of the Company Act, apply	
with the court to select an inspector in	with the court to select an inspector in	
examining the accounting records and	examining the accounting records and	
assets of the Company.	assets of the Company.	
The Board of Directors, the Audit	The Board of Directors, Audit Committee	
Committee or Supervisors, and managers	or Supervisors, and managers of the	
of the Company shall fully cooperate in	Company shall fully cooperate in the	

After the Amendment	Before the Amendment	Description
the examination conducted by the	examination conducted by the inspectors	_
inspectors in the aforesaid two	in the aforesaid two paragraphs without	
paragraphs without any obstruction,	any obstruction, rejection or	
rejection or circumvention.	circumvention.	
Article 13	Article 13	The Audit Committee
(Paragraph 1 is omitted.)	(Paragraph 1 is omitted.)	has been established,
The Company shall properly deal with	The Company shall properly deal with	so the existing
any legal action duly instituted by	any legal action duly instituted by	supervisor system is
shareholders in which it is claimed that	shareholders in which it is claimed that	canceled.
shareholders' rights and interests were	shareholders' rights and interests were	
damaged by a resolution adopted at a	damaged by a resolution adopted at a	
shareholders' meeting or a board of	shareholders' meeting or a board of	
director meeting in violation of	director meeting in violation of	
applicable laws, regulations, or the	applicable laws, regulations, or the	
Company's articles of incorporation, or	Company's articles of incorporation, or	
that such damage was caused by a breach	that such damage was caused by a breach	
of applicable laws, regulations or the	of applicable laws, regulations or the	
Company's articles of incorporation by	Company's articles of incorporation by	
any Directors, Supervisors or managers	any Directors, Supervisors or managers	
in performing their duties.	in performing their duties.	
(The following is omitted.)	(The following is omitted.)	
Article 18	Article 18	The Audit Committee
A corporate shareholder having	A corporate shareholder having	has been established,
controlling power over the Company	controlling power over the Company	so the existing
shall comply with the following	shall comply with the following	supervisor system is
provisions:	provisions:	canceled.
1. (Omitted)	1. (Omitted)	
2. Its representative shall follow the rules	2. Its representative shall follow the rules	
implemented by TWSE/TPEx listed	implemented by TWSE/TPEx listed	
companies with respect to the exercise	companies with respect to the exercise	
of rights and participation of	of rights and participation of	
resolution, so that at a shareholders'	resolution, so that at a shareholders'	
meeting, the representative shall	meeting, the representative shall	
exercise his/her voting right in good	exercise his/her voting right in good	
faith and for the best interest of all	faith and for the best interest of all	
shareholders and shall exercise the	shareholders and shall exercise the	
fiduciary duty and duty of care of a	fiduciary duty and duty of care of a	
director-or supervisor.	director or supervisor.	
3. It shall comply with relevant laws,	3. It shall comply with relevant laws,	
regulations and the articles of	regulations and the articles of	
incorporation of the Company in	incorporation of the Company in	

After the Amendment	Before the Amendment	Description
nominating Directors-or Supervisors	nominating Directors or Supervisors	
and shall not act beyond the authority	and shall not act beyond the authority	
granted by the shareholders' meeting or	granted by the shareholders' meeting or	
board of director meeting.	board of director meeting.	
4. (Omitted)	4. (Omitted)	
5. (Omitted)	5. (Omitted)	
6. The representative that is designated	6. The representative that is designated	
when a corporate shareholder has been	when a corporate shareholder has been	
elected as a director or supervisor shall	elected as a director or supervisor shall	
meet the Company's requirements for	meet the Company's requirements for	
professional qualifications. Arbitrary	professional qualifications. Arbitrary	
replacement of the corporate	replacement of the corporate	
shareholder's representative is	shareholder's representative is	
inappropriate.	inappropriate.	
Article 24	Article 24	The Audit Committee
The Company shall appoint independent	The Company shall appoint independent	has been established,
Directors in accordance with the articles	Directors in accordance with the articles	so the existing
of incorporation. They shall be not less	of incorporation. They shall be not less	supervisor system is
than two-three in number and not less	than two in number and not less than	canceled; in addition,
than one-fifth of the total number of the	one-fifth of the total number of the	the number of
Directors.	Directors.	independent Directors
(Paragraph 2 is omitted.)	(Paragraph 2 is omitted.)	is clarified.
The Company shall adopt a candidate	The Company shall adopt a candidate	
nomination system for election of	nomination system for election of	
independent Directors according to	independent Directors and expressly	
Article 192-1 of the Company Act and	stipulate such a system in the articles of	
expressly stipulate such a system in the	incorporation. The shareholders shall	
articles of incorporation. The	elect independent Directors from among	
shareholders shall elect independent	the nominees listed in the roster of	
Directors from among the nominees	independent director candidates.	
listed in the roster of independent director	Independent and non-independent	
candidates. Independent and	Directors shall be elected at the same	
non-independent Directors shall be	time but on separate ballots pursuant to	
elected at the same time but on separate	Article 198 of the Company Act.	
ballots pursuant to Article 198 of the	(The following is omitted.)	
Company Act.		
(The following is omitted.)		
Article 25	Article 25	The Audit Committee
The Company shall submit the following	The Company shall submit the following	has been established,
matters to the Board of Directors for	matters to the Board of Directors for	so the existing
approval by resolution as provided in the	approval by resolution as provided in the	supervisor system is

After the Amendment	Before the Amendment	Description
Securities and Exchange Act. When an	Securities and Exchange Act. When an	canceled.
independent director has a dissenting	independent director has a dissenting	
opinion or qualified opinion, it shall be	opinion or qualified opinion, it shall be	
noted in the minutes of the board of	noted in the minutes of the board of	
director meeting:	director meeting:	
1. (Omitted)	1. (Omitted)	
2. (Omitted)	2. (Omitted)	
3. Matters bearing on the personal	3. Matters bearing on the personal	
interest of a director-or a supervisor.	interest of a director or a supervisor.	
(The following is omitted.)	(The following is omitted.)	
Article 26	Article 26	The Audit Committee
(Paragraphs 1 and 2 are omitted.)	When the Company, under its articles of	has been established,
When the Company, under its articles of	incorporation, or by resolution of its	so the existing
incorporation, or by resolution of its	shareholders' meeting, or by order of the	supervisor system is
shareholders' meeting, or by order of the	authority in charge, sets aside a certain	canceled.
authority in charge, sets aside a certain	proportion of earnings as special reserve,	
proportion of earnings as special reserve,	such allocation shall be made after the	
such allocation shall be made after the	allocation of legal reserve and before the	
allocation of legal reserve and before the	distribution of director, supervisor, and	
distribution of director, supervisor, and	employee compensations, and the	
employee compensations, and the	Company shall provide in the articles of	
Company shall provide in the articles of	incorporation the method to be adopted	
incorporation the method to be adopted	for distributing earnings when reversal of	
for distributing earnings when reversal of	the special reserve is added to the	
the special reserve is added to the	undistributed earnings.	
undistributed earnings.		
Article 28	Article 28	The Audit Committee
The Company shall establish either an	The Company shall establish either an	has been established,
Audit Committee or a supervisor.	Audit Committee or a supervisor.	so the existing
The Company's Audit Committee shall	The Audit Committee shall be composed	supervisor system is
be is composed of the entire number of	of the entire number of independent	canceled.
independent Directors. It shall not be	Directors. It shall not be fewer than three	
fewer than three persons in number, one	persons in number, one of whom shall be	
of whom shall be the convener, and at	the convener, and at least one of whom	
least one of whom shall have accounting	shall have accounting or financial	
or financial expertise.	expertise.	
If the Company has established an Audit	If the Company has established an Audit	
Committee, tThe provisions regarding	Committee, the provisions regarding	
Supervisors in the Securities and	Supervisors in the Securities and	
Exchange Act, the Company Act, other	Exchange Act, the Company Act, other	
laws and regulations, and these Principles	laws and regulations, and these Principles	

After the Amendment	Before the Amendment	Description
shall apply mutatis mutandis to the Audit	shall apply mutatis mutandis to the Audit	
Committee.	Committee.	
If the Company has established an Audit	If the Company has established an Audit	
Committee, Article 25 herein does not	Committee, Article 25 herein does not	
apply to the following matters, which	apply to the following matters, which	
shall be subject to the consent of at least	shall be subject to the consent of at least	
one half of all members of the Audit	one half of all members of the Audit	
Committee and be submitted to the Board	Committee and be submitted to the Board	
of Directors for resolution:	of Directors for resolution:	
(The following is omitted.)	(The following is omitted.)	
Article 28-1	Article 28-1	The Audit Committee
(Paragraph 1 is omitted.)	(Paragraph 1 is omitted.)	has been established,
The Remuneration Committee shall	The Remuneration Committee shall	so the existing
exercise the care of a good administrator	exercise the care of a good administrator	supervisor system is
in faithfully performing the official	in faithfully performing the official	canceled.
powers listed below, and shall submit its	powers listed below, and shall submit its	
recommendations for deliberation by the	recommendations for deliberation by the	
Board of Directors. However,	Board of Directors. However,	
recommendations for the remuneration of	recommendations for the remuneration of	
Supervisors may be submitted for	Supervisors may be submitted for	
deliberation by the Board of Directors	deliberation by the Board of Directors	
only when the Board of Directors is	only when the Board of Directors is	
expressly authorized to handle the	expressly authorized to handle the	
Supervisors' remuneration by the	Supervisors' remuneration by the	
Company's articles of incorporation or by	Company's articles of incorporation or by	
a resolution of the shareholders' meeting:	a resolution of the shareholders' meeting:	
1. Prescribe and periodically review the	1. Prescribe and periodically review the	
policies, systems, standards, and	policies, systems, standards, and	
structures of the performance	structures of the performance	
evaluation and remuneration of	evaluation and remuneration of	
Directors, Supervisors and managerial	Directors, Supervisors and	
officers.	managerial officers.	
2. Periodically evaluate and prescribe the	2. Periodically evaluate and prescribe the	
remuneration of Directors,	remuneration of Directors,	
Supervisors, and managerial officers.	Supervisors, and managerial	
When performing the official powers of	officers.	
the preceding paragraph, the	When performing the official powers of	
Remuneration Committee shall follow	the preceding paragraph, the	
the principles listed below:	Remuneration Committee shall follow	
1. With respect to the performance	the principles listed below:	
evaluation and remuneration of	1. With respect to the performance	
Directors, Supervisors and managerial	evaluation and remuneration of	

After the Amendment	Before the Amendment	Description
officers of the Company, the	Directors, Supervisors and managerial	•
Remuneration Committee shall refer	officers of the Company, the	
to the typical pay levels adopted by	Remuneration Committee shall refer	
peer companies, and take the	to the typical pay levels adopted by	
reasonableness of the correlation	peer companies, and take the	
between remuneration and individual	reasonableness of the correlation	
performance, the Company's business	between remuneration and individual	
performance, and future risk exposure	performance, the Company's business	
into consideration.	performance, and future risk exposure	
(The following is omitted.)	into consideration.	
	(The following is omitted.)	
Article 29	Article 29	The Audit Committee
(Paragraphs 1 to 3 are omitted.)	(Paragraphs 1 to 3 are omitted.)	has been established,
The Company shall select a professional,	The Company shall select a professional,	so the existing
responsible, and independent CPA to	responsible, and independent CPA to	supervisor system is
perform regular reviews of financial	perform regular reviews of financial	canceled.
conditions and internal control measures	conditions and internal control measures	
of the Company. With regard to any	of the Company. With regard to any	
irregularity or deficiency discovered and	irregularity or deficiency discovered and	
disclosed in a timely manner by the	disclosed in a timely manner by the	
auditor during the review, and concrete	auditor during the review, and concrete	
measures for improvement or prevention	measures for improvement or prevention	
suggested by the auditor, the Company	suggested by the auditor, the Company	
shall faithfully implement improvement	shall faithfully implement improvement	
actions. It is advisable that the Company	actions. It is advisable that the Company	
establish channels and mechanisms of	establish channels and mechanisms of	
communication between the independent	communication between the independent	
Directors <del>, Supervisors</del> or Audit	Directors, Supervisors or Audit	
Committee, and CPA, and to incorporate	Committee, and CPA, and to incorporate	
procedures for that purpose into the	procedures for that purpose into the	
Company's internal control system for	Company's internal control system for	
management purposes.	management purposes.	
(The following is omitted.)	(The following is omitted.)	
Article 30	Article 30	The Audit Committee
It is advisable that the Company engages	It is advisable that the Company engages	has been established,
a professional and competent legal	a professional and competent legal	so the existing
counsel to provide adequate legal	counsel to provide adequate legal	supervisor system is
consultation services to the Company, or	consultation services to the Company, or	canceled.
to assist the Directors, the Supervisors	to assist the Directors, the Supervisors	
and the management to improve their	and the management to improve their	
knowledge of the law, for the purposes of	knowledge of the law, for the purposes of	

After the Amendment	Before the Amendment	Description
preventing any infraction of laws or	preventing any infraction of laws or	
regulations by the Company or its staff	regulations by the Company or its staff	
and ensuring that corporate governance	and ensuring that corporate governance	
matters proceed pursuant to the relevant	matters proceed pursuant to the relevant	
legal framework and the prescribed	legal framework and the prescribed	
procedures.	procedures.	
When, as a result of performing their	When, as a result of performing their	
lawful duties, Directors, Supervisors or	lawful duties, Directors, Supervisors or	
the management are involved in litigation	the management are involved in litigation	
or a dispute with shareholders, the	or a dispute with shareholders, the	
Company shall retain a legal counsel to	Company shall retain a legal counsel to	
provide assistance as circumstances	provide assistance as circumstances	
require.	require.	
(The following is omitted.)	(The following is omitted.)	
Article 31	Article 31	The Audit Committee
The Board of Directors of the Company	The Board of Directors of the Company	has been established,
shall meet at least once every quarter, or	shall meet at least once every quarter, or	so the existing
convene at any time in case of	convene at any time in case of	supervisor system is
emergency. To convene a board of	emergency. To convene a board of	canceled.
director meeting, a meeting notice which	director meeting, a meeting notice which	
specifies the purposes of the meeting	specifies the purposes of the meeting	
shall be sent to each Director-and	shall be sent to each Director and	
Supervisor no later than 7 days before	Supervisor no later than 7 days before the	
the scheduled date. Sufficient meeting	scheduled date. Sufficient meeting	
materials shall also be prepared and	materials shall also be prepared and	
enclosed in the meeting notice. If the	enclosed in the meeting notice. If the	
meeting materials are deemed	meeting materials are deemed	
inadequate, a director may ask the unit in	inadequate, a director may ask the unit in	
charge to provide more information or	charge to provide more information or	
request a postponement of the meeting	request a postponement of the meeting	
with the consent of the Board of	with the consent of the Board of	
Directors.	Directors.	
(The following is omitted.)	(The following is omitted.)	
Article 34	Article 34	The Audit Committee
(Paragraph 1 is omitted.)	(Paragraph 1 is omitted.)	has been established,
The minutes of the board of director	The minutes of the board of director	so the existing
meetings shall be signed by the	meetings shall be signed by the	supervisor system is
chairperson and minute taker of the	chairperson and minute taker of the	canceled.
meeting and sent to each Director and	meeting and sent to each Director and	
Supervisor within 20 days after the	Supervisor within 20 days after the	
meeting. The director attendance records	meeting. The director attendance records	

After the Amendment	Before the Amendment	Description
shall be made part of the meeting	shall be made part of the meeting	
minutes, treated as important corporate	minutes, treated as important corporate	
records, and kept safe permanently	records, and kept safe permanently	
during the life of the Company.	during the life of the Company.	
(The following is omitted.)	(The following is omitted.)	
Article 38	Article 38	The Audit Committee
If a resolution of the Board of Directors	If a resolution of the Board of Directors	has been established,
violates laws, regulations or the	violates laws, regulations or the	so the existing
Company's articles of incorporation, at	Company's articles of incorporation, at	supervisor system is
the request of shareholders holding	the request of shareholders holding	canceled.
shares continuously for a year or an	shares continuously for a year or an	
independent director, or at the notice of a	independent director, or at the notice of a	
supervisor the Audit Committee to	supervisor to discontinue the	
discontinue the implementation of the	implementation of the resolution,	
resolution, members of the Board of	members of the Board of Directors shall	
Directors shall take appropriate measures	take appropriate measures or discontinue	
or discontinue the implementation of	the implementation of such a resolution	
such a resolution as soon as possible.	as soon as possible.	
Upon discovering any likelihood that the	Upon discovering any likelihood that the	
Company would suffer material damage,	Company would suffer material damage,	
members of the Board of Directors shall	members of the Board of Directors shall	
immediately report to the Audit	immediately report to the Audit	
Committee, an independent director of	Committee, an independent director of	
the Audit Committee, or a supervisor in	the Audit Committee, or a supervisor in	
accordance with the foregoing paragraph.	accordance with the foregoing paragraph.	
Chapter IV Empowering Supervisors	Chapter IV Empowering Supervisors	The Audit Committee
	(Omitted)	has been established,
		so the existing
		supervisor system is
		canceled. The entire
		chapter is deleted.
Chapter ¥ <u>IV</u> Respecting Stakeholders'	Chapter V Respecting Stakeholders'	The original Chapter
Rights and Interests	Rights and Interests	IV (Empowering
		Supervisors) is
		deleted, so the chapter
		is rearranged.
Article-51 41	Article 51	The original Chapter
(Omitted)	(Omitted)	IV (Empowering
		Supervisors) is
		deleted, so the article
		is rearranged.

After the Amendment	Before the Amendment	Description
Article <del>52</del> <u>42</u>	Article 52	The original Chapter
(Omitted)	(Omitted)	IV (Empowering
		Supervisors) is
		deleted, so the article
		is rearranged.
Article 53 43	Article 53	The Audit Committee
The Company shall establish channels of	The Company shall establish channels of	has been established,
communication with employees and	communication with employees and	so the existing
encourage employees to communicate	encourage employees to communicate	supervisor system is
directly with the management or	directly with the management, Directors,	canceled; the original
Directors, or Supervisors, so as to reflect	or Supervisors, so as to reflect employees'	Chapter IV
employees' opinions about the	opinions about the management,	(Empowering
management, financial conditions, and	financial conditions, and material	Supervisors) is
material decisions of the Company	decisions of the Company concerning	deleted, so the article
concerning employee welfare.	employee welfare.	is rearranged.
Article 54 44	Article 54	The original Chapter
(Omitted)	(Omitted)	IV (Empowering
		Supervisors) is
		deleted, so the article
		is rearranged.
Chapter VI V Improving Information	Chapter VI Improving Information	The original Chapter
Transparency	Transparency	IV (Empowering
		Supervisors) is
		deleted, so the chapter
		is rearranged.
Article <del>55</del> <u>45</u>	Article 55	The original Chapter
(Omitted)	(Omitted)	IV (Empowering
		Supervisors) is
		deleted, so the article
		is rearranged.
Article <del>56</del> <u>46</u>	Article 56	The original Chapter
(Omitted)	(Omitted)	IV (Empowering
		Supervisors) is
		deleted, so the article
		is rearranged.
Article <del>57</del> <u>47</u>	Article 57	The original Chapter
(Omitted)	(Omitted)	IV (Empowering
		Supervisors) is
		deleted, so the article
		is rearranged.
Article 58 48	Article 58	The original Chapter

After the Amendment	Before the Amendment	Description
(Omitted)	(Omitted)	IV (Empowering
		Supervisors) is
		deleted, so the article
		is rearranged.
Article <del>59</del> 49	Article 59	The Audit Committee
The Company shall disclose and update	The Company shall disclose and update	has been established,
from time to time the following	from time to time the following	so the existing
information on corporate governance in	information on corporate governance in	supervisor system is
the fiscal year in accordance with laws	the fiscal year in accordance with laws	canceled; the original
and regulations and the rules of TWSE or	and regulations and the rules of TWSE or	Chapter IV
TPEx-(disclosure of Supervisors'	TPEx (disclosure of Supervisors'	(Empowering
information is not required if an Audit	information is not required if an Audit	Supervisors) is
Committee is set up by the Company):	Committee is set up by the Company):	deleted, so the article
1. (Omitted)	1. (Omitted)	is rearranged.
2. (Omitted)	2. (Omitted)	-
3. (Omitted)	3. (Omitted)	
4. (Omitted)	4. (Omitted)	
5. Composition, duties and independence	5. Composition, duties and independence	
of the Audit Committee-or	of the Audit Committee or	
Supervisors.	Supervisors.	
6. (Omitted)	6. (Omitted)	
7. The remuneration paid to the	7. The remuneration paid to the	
Directors, Supervisors, president and	Directors, Supervisors, president and	
vice presidents in the last two fiscal	vice presidents in the last two fiscal	
years, the analysis of the ratio of total	years, the analysis of the ratio of total	
remuneration to net profit after tax in	remuneration to net profit after tax in	
the parent company only financial	the parent company only financial	
statements or individual financial	statements or individual financial	
statements, the policy, standard and	statements, the policy, standard and	
package of remuneration payment, the	package of remuneration payment, the	
procedure for the determination of	procedure for the determination of	
remuneration and the connection with	remuneration and the connection with	
the operation performance and future	the operation performance and future	
risk. Under special individual	risk. Under special individual	
circumstances, remuneration of	circumstances, remuneration of	
individual Directors and Supervisors	individual Directors and Supervisors	
shall be disclosed.	shall be disclosed.	
8. Progress of training of Directors and	8. Progress of training of Directors and	
Supervisors.	Supervisors.	
(The following is omitted.)	(The following is omitted.)	
Chapter VII VI Supplementary	Chapter VII Supplementary Provisions	The original Chapter

After the Amendment	Before the Amendment	Description
Provisions		IV (Empowering
		Supervisors) is
		deleted, so the chapter
		is rearranged.
Article 60 50	Article 60	The original Chapter
(Omitted)	(Omitted)	IV (Empowering
		Supervisors) is
		deleted, so the article
		is rearranged.
Article <del>61</del> <u>51</u>	Article 61	The original Chapter
		IV (Empowering
		Supervisors) is
		deleted, so the article
		is rearranged.
Article <del>62</del> <u>52</u>	Article 62	The number and date
These Principles were established on	These Principles were established on	of the amendment
November 14, 2014.	November 14, 2014.	hereto are added.
The first amendment was made on	The first amendment was made on	
January 26, 2015.	January 26, 2015.	
The second amendment was made on	The second amendment was made on	
November 14, 2016.	November 14, 2016.	
The third amendment was made on		
March 23, 2018.		

# Mercuries & Associates Holding, Ltd. Comparison Table for the Corporate Social Responsibility Best Practice Principles Before and After Amendment

Principles Before and After Amendment		
After the Amendment	Before the Amendment	Description
Article 5 The Company shall abide by laws and regulations, take the development of domestic and international corporate social responsibility principles and the operation of the Company and of its respective business groups as a whole into consideration, and establish policies, systems or related guideline for corporate social responsibility, which shall be approved by the Board of Directors and then reported to the shareholders' meeting.  When a shareholder proposes a motion involving corporate social responsibility, the Company's Board of Directors shall review and consider including it in the shareholders' meeting agenda.	Article 5 The Company shall abide by laws and regulations, take the development of domestic and international corporate social responsibility principles and the operation of the Company and of its respective business groups as a whole into consideration, and establish policies, systems or related guideline for corporate social responsibility, which shall be approved by the Board of Directors.	This article is slightly amended in accordance with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.
Article 11  The Company shall enhance training on corporate ethics and promote the awareness of matters prescribed in Article 10 for Directors, Supervisors, and employees and set up a clear and effective reward and punishment system.	Article 11 The Company shall enhance training on corporate ethics and promote the awareness of matters prescribed in Article 10 for Directors, Supervisors, and employees and set up a clear and effective reward and punishment system.	The Audit Committee has been established, so the existing supervisor system is canceled.
Article 29 These Principles and amendments shall be implemented after the approval of the Board of Directors and submitted to the shareholders' meeting.	Article 29 These Principles and amendments shall be implemented after the approval of the Board of Directors.	This article is slightly amended in accordance with the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.
Article 37 These Principles were established on	Article 30 These Principles were established on	The number and date of the amendment hereto are added.

After the Amendment	Before the Amendment	Description
August 12, 2016.	August 12, 2016.	
The first amendment was made on March		
<u>23, 2018.</u>		

# Mercuries & Associates Holding, Ltd. Comparison Table for the Ethical Corporate Management Best Practice Principles Before and After Amendment

Principles Before and After Amendment		
After the Amendment	Before the Amendment	Description
Article 2 (Paragraph 1 is omitted.)	Article 2 (Paragraph 1 is omitted.)	The Audit Committee has been established,
Parties referred to in the preceding paragraph include civil servants, political candidates, political parties or members	Parties referred to in the preceding paragraph include civil servants, political candidates, political parties or members	so the existing supervisor system is canceled.
of political parties, state-run or private-owned businesses or institutions, and their Directors, Supervisors, managerial officers, employees or substantial controllers or other	of political parties, state-run or private-owned businesses or institutions, and their Directors, Supervisors, managerial officers, employees or substantial controllers or other	
stakeholders.  Article 7	stakeholders.  Article 7	Prevention programs
<ul> <li>The prevention programs adopted by the Company shall include preventive measures against the following:</li> <li>1. Offering and acceptance of bribes.</li> <li>2. Illegal political donations.</li> <li>3. Improper charitable donations or sponsorship.</li> <li>4. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits.</li> <li>5. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights.</li> </ul>	The prevention programs adopted by the Company shall include preventive measures against the following:  1. Offering and acceptance of bribes.  2. Illegal political donations.  3. Improper charitable donations or sponsorship.  4. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits.	are added in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies.
6. Engaging in unfair competitive practices. 7. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services.		
Article 23	Article 23	The Audit Committee
These Principles shall be implemented	These Principles shall be implemented	has been established,

After the Amendment	Before the Amendment	Description
after the Audit Committee and the Board	after the Board of Directors grants the	so the existing
of Directors grants the approval, and shall	approval, and shall be sent to the	supervisor system is
be sent to the Supervisors and reported at	Supervisors and reported at a	canceled.
a shareholders' meeting. The same	shareholders' meeting. The same	
procedure shall be followed when these	procedure shall be followed when these	
Principles have been amended.	Principles have been amended.	
When these Principles are submitted to		
the Board of Directors for discussion, the		
Board of Directors shall take into full		
consideration each independent		
director's opinions. If an independent		
director objects to or expresses		
reservations about any matter, it shall be		
recorded in the minutes of the board of		
director meeting. An independent		
director that cannot attend the board of		
director meeting in person to express		
objection or reservations shall provide a		
written opinion before the board of		
director meeting, unless there is some		
legitimate reason to do otherwise, and the		
opinion shall be specified in the minutes		
of the board of director meeting.		
Article 24	Article 24	The number and date
These Principles were established on	These Principles were established on	of the amendment
November 14, 2014.	November 14, 2014.	hereto are added.
The first amendment was made on March		
<u>23, 2018.</u>		

## Mercuries & Associates Holding, Ltd. Comparison Table for the Codes of Ethical Conduct Before and After Amendment

Before and After Amendment		
After the Amendment	Before the Amendment	Description
Article 2	Article 2	The Audit Committee
The Company's personnel referred to in	The Company's personnel referred to in	has been established,
these Codes shall mean Directors,	these Codes shall mean Directors,	so the existing
Supervisors, managerial officers and	Supervisors, managerial officers and	supervisor system is
other employees of the Company.	other employees of the Company.	canceled.
Managerial officers referred to in these	Managerial officers referred to in these	
Codes shall mean presidents, vice	Codes shall mean presidents, vice	
presidents, assistant vice president,	presidents, assistant vice president,	
managers or their equivalents.	managers or their equivalents.	
The Company's employees referred to in	The Company's employees referred to in	
these Codes shall mean managerial	these Codes shall mean managerial	
officers and other employees of the	officers and other employees of the	
Company.	Company.	
Article 3	Article 3	The Audit Committee
The Company's personnel shall comply	The Company's personnel shall comply	has been established,
with all regulations and these Codes and	with all regulations and these Codes and	so the existing
pursue high-level compliance.	pursue high-level compliance.	supervisor system is
The Company's Directors, Supervisors,	The Company's Directors, Supervisors,	canceled.
and managerial officers shall set as	and managerial officers shall set as	
examples to employees and promote the	examples to employees and promote the	
implementation of these Codes.	implementation of these Codes.	
Article 14	Article 14	The Audit Committee
When a proposal at a given Board of	When a proposal at a given Board of	has been established,
Directors meeting in which Directors and	Directors meeting in which Directors and	so the existing
Supervisors or the juristic person they	Supervisors or the juristic person they	supervisor system is
represents are interested parties and they	represents are interested parties and they	canceled.
are likely prejudice the interest of the	are likely prejudice the interest of the	
Company, the concerned person shall	Company, the concerned person shall	
recuse himself or herself voluntarily or	recuse himself or herself voluntarily or	
upon the resolution by the Board of	upon the resolution by the Board of	
Directors.	Directors.	
When the Directors and Supervisors	When the Directors and Supervisors	
believe that they cannot deal with matters	believe that they cannot deal with matters	
objectively or in favor of the Company,	objectively or in favor of the Company,	
or the transaction or relationship	or the transaction or relationship	
concerned may cause a conflict of	concerned may cause a conflict of	
interest, the Directors shall state the same	interest, the Directors and Supervisors	

After the Amendment	Before the Amendment	Description
voluntarily and deal with or avoid the	shall state the same voluntarily and deal	•
situation in a lawful manner.	with or avoid the situation in a lawful	
Where the Company's Directors,	manner.	
Supervisors, and managerial officers or	Where the Company's Directors,	
their spouses, immediate families,	Supervisors, and managerial officers or	
relatives within the third degree of	their spouses, immediate families,	
kinship and the entities in which they are	relatives within the third degree of	
employed participate in the Company's	kinship and the entities in which they are	
business transactions, due to their	employed participate in the Company's	
positions and powers, they shall state the	business transactions, due to their	
same voluntarily and deal with or avoid	positions and powers, they shall state the	
the situation in a lawful manner.	same voluntarily and deal with or avoid	
	the situation in a lawful manner.	
Article 20	Article 20	The Audit Committee
At the workplace or during working	At the workplace or during working	has been established,
hours, the Company's Directors,	hours, the Company's Directors,	so the existing
Supervisors and managerial officers shall	Supervisors and managerial officers shall	supervisor system is
not force the Company's personnel to	not force the Company's personnel to	canceled.
contribute to any political party, support	contribute to any political party, support	
any political party or candidate, or	any political party or candidate, or	
participate in other political party	participate in other political party	
activities.	activities.	
Article 22	Article 22	The Audit Committee
The Company's Directors, Supervisors,	The Company's Directors, Supervisors,	has been established,
and managerial officers shall promote the	and managerial officers shall promote the	so the existing
awareness of ethics at any time and	awareness of ethics at any time and	supervisor system is
encourage the Company's personnel to	encourage the Company's personnel to	canceled.
report any activity in violation of a law or	report any activity in violation of a law or	
regulation or these Codes which they	regulation or these Codes which they	
discover or reasonably suspect pursuant	discover or reasonably suspect pursuant	
to the relevant regulations; however, they	to the relevant regulations; however, they	
are prohibited from framing any person.	are prohibited from framing any person.	
(The following is omitted.)	(The following is omitted.)	
Article 23	Article 23	The Audit Committee
(Paragraphs 1 and 2 are omitted.)	(Paragraphs 1 and 2 are omitted.)	has been established,
As to any director <del>, supervisor</del> or	As to any director, supervisor or	so the existing
managerial officers who violates these	managerial officers who violates these	supervisor system is
Codes and is held against laws upon a	Codes and is held against laws upon a	canceled.
court's judgment in the first instance or	court's judgment in the first instance or	
upon resolution by the Company's Board	upon resolution by the Company's Board	
of Directors, and the Board of Directors	of Directors, and the Board of Directors	

After the Amendment	Before the Amendment	Description
renders discipline, the Company shall	renders discipline, the Company shall	
immediately disclose the title and the	immediately disclose the title and the	
name of the violator, date and cause of	name of the violator, date and cause of	
the violation, violated provisions, and the	the violation, violated provisions, and the	
actions taken on the Market Observation	actions taken on the Market Observation	
Post System (MOPS).	Post System (MOPS).	
Article 24	Article 24	The Audit Committee
The exemption of Directors, Supervisors,	The exemption of Directors, Supervisors,	has been established,
and managerial officers shall be in	and managerial officers shall be in	so the existing
compliance with the Code. It shall require	compliance with the Code. It shall require	supervisor system is
a majority of the Directors in attendance	a majority of the Directors in attendance	canceled; the
at a meeting attended by two-thirds or	at a meeting attended by two-thirds or	expression of this
more of the entire board, and shall have	more of the entire board, and shall have	article is slightly
the consent of more than three-fourths of	the consent of more than three-fourths of	amended.
all Directors present. adopted by a	all Directors present.	
resolution of the Board of Directors, and		
information on the title and name of	In the case of the preceding circumstance,	
exempted personnel, the date on which	the Company shall immediately report	
the Board of Directors adopted the	the title and name of exempted personnel,	
resolution for exemption, and the period	the date on which the Board of Directors	
of, reasons for, and principles behind the	adopted the resolution for exemption, and	
application of the exemption shall be	the period of, reasons for, and principles	
disclosed without delay on the MOPS.	behind the application of the exemption.	
In the case of the preceding circumstance,		
the Company shall immediately report		
the title and name of exempted personnel,		
the date on which the Board of Directors		
adopted the resolution for exemption, and		
the period of, reasons for, and principles		
behind the application of the exemption.		
Article 25	Article 25	The expression of this
These Codes shall be disclosed on the	These Codes shall be disclosed on the	paragraph is slightly
Company's internal and external website,	Company's internal and external	amended.
in its annual reports and prospectuses and	websites. The same shall apply when	
on the MOPS. The same shall apply when	these Codes are amended.	
these Codes are amended.		
Article 26	Article 26	The expression of this
The Company's personnel who violate	The Company's personnel who violate	paragraph is slightly
these Codes shall be immediately	these Codes shall be immediately	amended.
reported to the Company and disciplined	reported to the Company and disciplined	
pursuant to the relevant regulations.	pursuant to the relevant regulations.	

After the Amendment	Before the Amendment	Description
Article 27	Article 27	The Audit Committee
These Codes and amendments shall be	These Codes and amendments shall be	has been established,
implemented after the approval of the	implemented after the approval of the	so this article is
Audit Committee and the resolution of	Board of Directors.	amended in
the Board of Directors and reported to the		accordance with the
shareholders' meeting.		Guidelines for the
		Adoption of Codes of
		Ethical Conduct for
		TWSE/TPEx Listed
		Companies.

# Mercuries & Associates Holding, Ltd. Comparison Table for the Articles of Incorporation Before and After Amendment

After the Amendment	Before the Amendment	Description
Chapter IV: Directors and Supervisors	Chapter IV: Directors and Supervisors	The Audit
Audit Committee	Chapter IV. Directors and Supervisors	Committee has been
Addit Committee		established, so the
		· ·
		existing supervisor
A wints 177	A	system is canceled.
Article 17	Article 17	The number of
Since the 19th Board of Directors, the	Since the 19th Board of Directors, the	independent
Company has established a system of 9	Company has established a system of 9	Directors is
Board members (including two to three	Board members (including two to three	stipulated.
Independent Directors), with a 3-year	Independent Directors), with a 3-year	
period of service. A nominee system is	period of service. A nominee system is	
used, and shareholders will select from the	used, and shareholders will select from	
list of nominees. Reappointment is	the list of nominees. Reappointment is	
possible. In accordance with Securities	possible. In accordance with Securities	
and Exchange Act, the professional	and Exchange Act, the professional	
qualifications, shareholding conditions,	qualifications, shareholding conditions,	
prohibitions in participation in other	prohibitions in participation in other	
businesses, nomination and selection	businesses, nomination and selection	
method as well as other items pertaining to	method as well as other items pertaining	
the Company's Independent Directors, are	to the Company's Independent Directors,	
handled in compliance with legal	are handled in compliance with legal	
regulations.	regulations.	
Article 18	Article 18	The expression of
Formation of the Board of Directors:	Formation of the Board of Directors:	this paragraph is
Two-thirds or more of the Directors shall	Two-thirds or more of the Directors shall	slightly amended.
attend and more than 1/2 of all present	attend and more than 1/2 of all present	
Directors shall consent to the nomination	Directors shall consent to the nomination	
of a Chairman of the Board from within	of a Chairman of the Board from within	
the Board members to represent the	the Board members to represent the	
Company externally. The same principle	Company externally. The same principle	
shall be used in nominating a Deputy	shall be used in nominating a Deputy	
Chairman <u>based on business needs</u> .	Chairman.	

After the Amendment	Before the Amendment	Description
Article 19	Article 19	The Audit
Board meetings shall be convened by the	Board meetings shall be convened by the	Committee has been
Chairman of the Board. Prior to convening	Chairman of the Board. Prior to	established, so the
a Board Meeting, each Director-and	convening a Board Meeting, each	existing supervisor
Supervisor shall be notified via	Director and Supervisor shall be notified	system is canceled.
print/fax/email, and the reason for the	via print/fax/email, and the reason for the	
Board Meeting shall be stated clearly.	Board Meeting shall be stated clearly.	
Unless otherwise stated by law, resolution	Unless otherwise stated by law, resolution	
made in the Board Meeting shall be	made in the Board Meeting shall be	
attended by at least one-half of all	attended by at least one-half of all	
Directors, and consented by at least 1/2 of	Directors, and consented by at least 1/2 of	
all present Directors. When a Director is	all present Directors. When a Director is	
absent, he/she shall appoint another	absent, he/she shall appoint another	
Director to attend the meeting as proxy by	Director to attend the meeting as proxy by	
providing a by executing a power of	providing a by executing a power of	
attorney printed by the Company stating	attorney printed by the Company stating	
the scope of power authorized to the	the scope of power authorized to the	
proxy. The proxy may only act on behalf	proxy. The proxy may only act on behalf	
of one Director. If a Board Meeting is	of one Director. If a Board Meeting is	
conducted by video conference, the	conducted by video conference, the	
Directors partaking the video conference	Directors partaking the video conference	
shall be recognized as having attended the	shall be recognized as having attended the	
meeting in person.	meeting in person.	
Article 21	Article 21	The Audit
The Company has established the Audit	The Company has established two seats of	Committee has been
Committee according to Article 14 4 of	Supervisors for a term of three years each	established, so the
the Securities and Exchange Act. The	under a nominee system.	existing supervisor
Audit Committee shall be composed of all	Supervisors can independently exercise	system is canceled.
independent Directors.	supervisory rights under law, and can	
Starting from June 22, 2018, the Audit	attend board of director meetings but	
Committee or its members shall be	cannot vote on any proposal.	
responsible for implementing the duties of		
Supervisors prescribed in the Company		
Act, Securities and Exchange Act, and		
other regulations.		
Article 21-1	This article is newly added.	The Audit
The duties of the Audit Committee shall		Committee has been
be prescribed in the Audit Committee's		established, so this
Organizational Charter.		article is newly
		added.

A 64 A	Defense die Americalisment	D
After the Amendment Article 22	Before the Amendment Article 22	<b>Description</b> The Audit
		Committee has been
Supervisors and Directors are paid	Supervisors and Directors are paid	
honorarium fees regardless of the	honorarium fees regardless of the	established, so the
Company's profit or loss; Independent	Company's profit or loss; Independent	existing supervisor
Directors are compensated regardless of	Directors are compensated regardless of	system is canceled.
the Company's profit or loss; Independent	the Company's profit or loss; Independent	
Directors' compensations are resolved by	Directors' compensations are resolved by	
the Board at general market value.	the Board at general market value.	
The Company shall purchase liability	The Company shall purchase liability	
insurance for the Directors and	insurance for the Directors and	
Supervisors during their term of service.	Supervisors during their term of service.	
The insurance method and insured amount	The insurance method and insured	
shall be resolved by the Board.	amount shall be resolved by the Board.	
Article 23	Article 23	The expression of
The management of tThe Company has	The management of the Company has	this paragraph is
adopted a chiarman system, in which one	adopted a chiarman system, in which one	slightly amended.
chiarman, one vice Chairman, and may	chiarman, one vice Chairman, and several	
appoint several managers have been	managers have been appointed. The	
appointed. The appointment, termination	appointment, termination and	
and compensations for managers are	compensations for managers are	
processed in accordance with Article 29 of	processed in accordance with Article 29	
the Company Act, and other personnel	of the Company Act, and other personnel	
shall be appointed and terminated by the	shall be appointed and terminated by the	
Chairman.	Chairman.	
Article 24	Article 24	The Audit
The Company's fiscal year is from January	The Company's fiscal year is from	Committee has been
1st of a year to December 31st of the same	January 1st of a year to December 31st of	established, so the
year. At the end of the fiscal year, books	the same year. At the end of the fiscal	existing supervisor
shall be closed and the Board of Directors	year, books shall be closed and the Board	system is canceled.
is responsible for preparing (1) Business	of Directors is responsible for preparing	·
Report, (2) Financial Statements, and (3)	(1) Business Report, (2) Financial	
Proposal of Earnings Distribution or	Statements, and (3) Proposal of Earnings	
Off-setting Accumulated Loss. Each	Distribution or Off-setting Accumulated	
statement shall be submitted to the Audit	Loss. Each statement shall be submitted to	
Committee for verification 30 days prior	the Supervisors for verification 30 days	
to commencement of an Annual	prior to commencement of an Annual	
Shareholders Meeting, and an	Shareholders Meeting, and a Supervisors'	
Supervisors' Audit Committee's Review	Review Report shall be submitted along	
Report shall be submitted along with the	with the statements to the Shareholders	
statements to the Shareholders Meeting to	Meeting to seek for shareholders'	
seek for shareholders' adoption.	adoption.	

After the Amendment	Before the Amendment	Description
Article 25	Article 25	The Audit
In case profit is made by the Company for	In case profit is made by the Company for	Committee has been
the period, no less than 1% of the said	the period, no less than 1% of the said	established, so the
profit shall be set aside for employees'	profit shall be set aside for employees'	existing supervisor
compensation. The Board of Directors	compensation. The Board of Directors	system is canceled.
shall determine whether to issue the	shall determine whether to issue the	
compensation in shares or cash. Recipients	compensation in shares or cash.	
of the said compensation shall include	Recipients of the said compensation shall	
Company employees that satisfy specific	include Company employees that satisfy	
criteria. The Company permits the Board	specific criteria. The Company permits	
of Directors to set aside no more than 1%	the Board of Directors to set aside no	
of the sum of the aforementioned profit as	more than 1% of the sum of the	
compensations for the Directors and	aforementioned profit as compensations	
Supervisors. Proposals for the distribution	for the Directors and Supervisors.	
of employees' compensation as well as	Proposals for the distribution of	
Directors' and Supervisors' compensation	employees' compensation as well as	
shall be submitted to the Board of	Directors' and Supervisors' compensation	
Shareholders and presented accordingly.	shall be submitted to the Board of	
In case of accumulated losses, the	Shareholders and presented accordingly.	
Company shall reserve a specific amount	In case of accumulated losses, the	
to make up for the losses, and then	Company shall reserve a specific amount	
distribute the employees' and Directors'	to make up for the losses, and then	
and Supervisors' compensation according	distribute the employees' and Directors'	
to aforementioned percentage.	and Supervisors' compensation according	
	to aforementioned percentage.	
Article 28	Article 28	The number and
These Articles of Incorporation were	These Articles of Incorporation were	date of the
established on January 20, 1965.	established on January 20, 1965.	amendment hereto
(Omitted)	(Omitted)	are added.
The 45th amendment was made on June	The 45th amendment was made on June	
22, 2017.	22, 2017.	
The 46th amendment was made on June	Amendments will be in effect upon	
<u>22, 2018.</u>	receiving authorization from the	
Amendments will be in effect upon	governing institution.	
receiving authorization from the		
governing institution.		

# Mercuries & Associates Holding, Ltd. Comparison Table for the Rules and Procedures of Shareholders Meeting Before and After Amendment

and After Amendment		
After the Amendment	Before the Amendment	Description
Article 2	Article 2	The Audit Committee
Unless otherwise provided by	Unless otherwise provided by	has been established,
regulations, shareholders' meeting is	regulations, shareholders' meeting is	so the existing
convened by the Board of Directors.	convened by the Board of Directors.	supervisor system is
30 days before the Company convenes a	30 days before the Company convenes a	canceled.
regular shareholders' meeting or 15 days	regular shareholders' meeting or 15 days	
before it convenes a special shareholders'	before it convenes a special shareholders'	
meeting, the Company shall prepare	meeting, the Company shall prepare	
electronic files of the meeting	electronic files of the meeting	
announcement, proxy form, explanatory	announcement, proxy form, explanatory	
materials relating to proposals for	materials relating to proposals for	
ratification, matters for deliberation,	ratification, matters for deliberation,	
election or dismissal of Directors or	election or dismissal of Directors or	
Supervisors, and other matters on the	Supervisors, and other matters on the	
shareholders' meeting agenda, and	shareholders' meeting agenda, and	
upload them to the Market Observation	upload them to the Market Observation	
Post System. 21 days before the	Post System. 21 days before the	
Company is to convene a regular	Company is to convene a regular	
shareholders' meeting, or 15 days before	shareholders' meeting, or 15 days before	
it convenes a special shareholders'	it convenes a special shareholders'	
meeting, it shall prepare an electronic file	meeting, it shall prepare an electronic file	
of the shareholders' meeting agenda	of the shareholders' meeting agenda	
handbook and the supplemental	handbook and the supplemental	
materials, and upload it to the Market	materials, and upload it to the Market	
Observation Post System. 15 days before	Observation Post System. 15 days before	
the Company is to convene a	the Company is to convene a	
shareholders' meeting, it shall prepare the	shareholders' meeting, it shall prepare the	
shareholders' meeting agenda handbook	shareholders' meeting agenda handbook	
and supplemental materials and make	and supplemental materials and make	
them available for the shareholders to	them available for the shareholders to	
obtain and review at any time. In	obtain and review at any time. In	
addition, the handbook shall be displayed	addition, the handbook shall be displayed	
at the company and its stock registrar and	at the company and its stock registrar and	
transfer agent, and distributed on-site at	transfer agent, and distributed on-site at	
the meeting.	the meeting.	
The causes or subjects of a shareholders'	The causes or subjects of a shareholders'	
meeting to be convened shall be indicated	meeting to be convened shall be indicated	

After the Amendment	Before the Amendment	Description
in the individual notice and the public	in the individual notice and the public	Description
notice; and the notice may be given by	notice; and the notice may be given by	
electronic transmission, after obtaining a	electronic transmission, after obtaining a	
prior consent from the recipients.	prior consent from the recipients.	
Election or discharge of Directors and	Election or discharge of Directors and	
Supervisors, alteration of the Articles of	Supervisors, alteration of the Articles of	
Incorporation, and dissolution, merger,	Incorporation, and dissolution, merger,	
spin-off, or any matters as set forth in	spin-off, or any matters as set forth in	
Paragraph 1, Article 185 of the Company	Paragraph 1, Article 185 of the Company	
Act, Article 26-1 and Article 43-6 of the	Act, Article 26-1 and Article 43-6 of the	
Securities and Exchange Act, shall be	Securities and Exchange Act, shall be	
itemized in the causes or subjects to be	itemized in the causes or subjects to be	
described in the notice, and shall not be	described in the notice, and shall not be	
brought up as extemporary motions.	brought up as extemporary motions.	
(The following is omitted.)	(The following is omitted.)	
Article 5	Article 5	The Audit Committee
(Paragraphs 1 to 4 are omitted.)	(Paragraphs 1 to 4 are omitted.)	has been established,
The Company shall furnish attending	The Company shall furnish attending	so the existing
shareholders with the meeting agenda	shareholders with the meeting agenda	supervisor system is
book, annual report, attendance card,	book, annual report, attendance card,	canceled.
speaker's slips, voting slips, and other	speaker's slips, voting slips, and other	canceled.
meeting materials. Where there is an	meeting materials. Where there is an	
election of Directors-or Supervisors,	election of Directors or Supervisors,	
pre-printed ballots shall also be	pre-printed ballots shall also be	
furnished.	furnished.	
(The following is omitted.)	(The following is omitted.)	
Article 13	Article 13	The Audit Committee
The election of Directors or Supervisors	The election of Directors or Supervisors	has been established,
at a shareholders meeting shall be held in	at a shareholders meeting shall be held in	so the existing
accordance with the applicable election	accordance with the applicable election	supervisor system is
and appointment rules of the Company,	and appointment rules of the Company,	canceled.
and the voting results shall be announced	and the voting results shall be announced	canceled.
on-site immediately, including the names	on-site immediately, including the names	
of those elected as Directors-and	of those elected as Directors and	
Supervisors and the numbers of votes with which they were elected.	Supervisors and the numbers of votes with which they were elected.	
The ballots for the election referred to in	The ballots for the election referred to in	
the preceding paragraph shall be sealed	the preceding paragraph shall be sealed	
with the signatures of the monitoring	with the signatures of the monitoring	
personnel and kept in proper custody for	personnel and kept in proper custody for	
at least 1 year. If, however, a shareholder	at least 1 year. If, however, a shareholder	

After the Amendment	Before the Amendment	Description
files a lawsuit pursuant to Article 189 of	files a lawsuit pursuant to Article 189 of	
the Company Act, the ballots shall be	the Company Act, the ballots shall be	
retained until the conclusion of the	retained until the conclusion of the	
litigation.	litigation.	

# Mercuries & Associates Holding, Ltd. Comparison Table for the Rules for Election of Directors Before and After Amendment

After the Amendment	Before the Amendment	Description
Mercuries & Associates Holding, Ltd.	Mercuries & Associates Holding, Ltd.	The Audit Committee
Rules for Election of Directors-and	Rules for Election of Directors and	has been established,
Supervisors	Supervisors	so the existing
		supervisor system is
		canceled, and the
		name of these Rules is
		amended.
Article 1:	Article 1:	The Audit Committee
Except as otherwise provided by laws	Except as otherwise provided by laws	has been established,
and regulations or by the articles of	and regulations or by the articles of	so the existing
incorporation, elections of Directors-and	incorporation, elections of Directors and	supervisor system is
Supervisors of the Company shall be	Supervisors of the Company shall be	canceled.
conducted in accordance with these	conducted in accordance with these	
Rules. Directors and Supervisors of the	Rules. Directors and Supervisors of the	
Company shall be elected based on the	Company shall be elected based on the	
candidate nomination system from the	candidate nomination system from the	
list of candidates at the shareholders'	list of candidates at the shareholders'	
meeting.	meeting.	
Article 2:	Article 2:	The Audit Committee
The cumulative voting method shall be	The cumulative voting method shall be	has been established,
used for election of the Directors and	used for election of the Directors and	so the existing
Supervisors at the Company. Each share	Supervisors at the Company. Each share	supervisor system is
will have voting rights in number equal to	will have voting rights in number equal to	canceled.
the Directors or Supervisors to be elected,	the Directors or Supervisors to be elected,	
and may be cast for a single candidate or	and may be cast for a single candidate or	
split among multiple candidates.	split among multiple candidates.	

After the Amendment	Before the Amendment	Description
Article 3:	Article 3:	The Audit Committee
As to the elections of Directors—and	As to the elections of Directors and	has been established,
Supervisors, the number of Directors will	Supervisors, the number of Directors and	so the existing
be as specified in the Company's articles	Supervisors will be as specified in the	supervisor system is
of incorporation, with voting rights	Company's articles of incorporation, with	canceled.
separately calculated for independent and	voting rights separately calculated for	
non-independent director positions.	independent and non-independent	
Those receiving ballots, both in	director positions. Those receiving	
electronic and paper forms, representing	ballots, both in electronic and paper	
the highest numbers of voting rights will	forms, representing the highest numbers	
be elected sequentially according to their	of voting rights will be elected	
respective numbers of votes. If a person	sequentially according to their respective	
is elected as a Director and a Supervisor	numbers of votes. If a person is elected as	
at the same time, he/she shall decide to	a Director and a Supervisor at the same	
act as a Director or Supervisor on his/her	time, he/she shall decide to act as a	
own, and the vacancy will be filled by the	Director or Supervisor on his/her own,	
person receiving the ballot representing	and the vacancy will be filled by the	
the second highest number of voting	person receiving the ballot representing	
rights. When two or more persons receive	the second highest number of voting	
the same number of votes, thus exceeding	rights. When two or more persons receive	
the specified number of positions, they	the same number of votes, thus exceeding	
shall draw lots to determine the winner,	the specified number of positions, they	
with the chair drawing lots on behalf of	shall draw lots to determine the winner,	
any person not in attendance.	with the chair drawing lots on behalf of	
	any person not in attendance.	
Article 5:	Article 5:	The Audit Committee
The Board of Directors shall prepare the	The Board of Directors shall prepare the	has been established,
number of ballots equal to the number of	number of ballots equal to the number of	so the existing
Directors and Supervisors to be elected.	Directors and Supervisors to be elected.	supervisor system is
The number of voting rights associated	The number of voting rights associated	canceled.
with each ballot shall be specified on the	with each ballot shall be specified on the	
ballots, which shall then be distributed to	ballots, which shall then be distributed to	
the attending shareholders at the	the attending shareholders at the	
Shareholders Meeting. Attendance card	Shareholders Meeting. Attendance card	
numbers printed on the ballots may be	numbers printed on the ballots may be	
used instead of recording the names of	used instead of recording the names of	
voting shareholders.	voting shareholders.	
No ballot will be prepared for voting	No ballot will be prepared for voting	
rights exercised electronically.	rights exercised electronically.	
Article 8:	Article 8:	The Audit Committee
The voting rights shall be calculated on	The voting rights shall be calculated on	has been established,

After the Amendment	Before the Amendment	Description
site immediately after the end of the poll,	site immediately after the end of the poll,	so the existing
and the results of the calculation and the	and the results of the calculation and the	supervisor system is
elected Directors and Supervisors shall	elected Directors and Supervisors shall	canceled.
be announced by the chair on the site.	be announced by the chair on the site.	
Article 9:	Article 9:	The Audit Committee
The Board of Directors of the Company	The Board of Directors of the Company	has been established,
shall issue notifications to the persons	shall issue notifications to the persons	so the existing
elected as Directors-or Supervisors.	elected as Directors or Supervisors.	supervisor system is
		canceled.

# Mercuries & Associates Holding, Ltd. Comparison Table for the Procedures for Acquisition and Disposal of Assets Before and After Amendment

DCIO	re and After Amendment	
After the Amendment	Before the Amendment	Description
Article 6-1:	Article 6-1:	The Audit Committee
The acquisition or disposal of assets by	The acquisition or disposal of assets by	has been established, so
the Company shall be processed in	the Company shall be processed in	the existing supervisor
accordance with this Procedure or other	accordance with this Procedure or other	system is canceled.
legal regulations and shall be approved	legal regulations and shall be approved	Paragraph 2 is newly
of by the Board of Directors. In case	of by the Board of Directors. In case	added.
there is record or written statement of a	there is record or written statement of a	
Director in expressing opinion of	Director in expressing opinion of	
dissent, the Company shall submit the	dissent, the Company shall submit the	
matter of dissent and relevant	matter of dissent and relevant	
information to each of the Supervisors	information to each of the Supervisors.	
the Audit Committee. Where the	Where the position of Independent	
position of Independent Director has	Director has been created in the	
been created in the Company pursuant	Company pursuant to the Securities and	
to the Securities and Exchanges Act,	Exchanges Act, when a transaction	
$\underline{\mathbf{w}}\underline{\mathbf{W}}$ hen a transaction involving the	involving the acquisition or disposal of	
acquisition or disposal of assets is	assets is submitted for discussion by the	
submitted for discussion by the Board of	Board of Directors pursuant to the	
Directors, the Board of Directors shall	preceding paragraph, the Board of	
take into full consideration each	Directors shall take into full	
Independent Director's opinions. If an	consideration each Independent	
Independent Director objects to or	Director's opinions. If an Independent	
expresses reservations about any matter,	Director objects to or expresses	
it shall be recorded in the minutes of the	reservations about any matter, it shall be	
board of director meeting.	recorded in the minutes of the board of	
Major transactions of assets or	director meeting.	
derivatives shall be approved by the		
Audit Committed and the Board of		
<u>Directors.</u>		
Article 7:	Article 7:	To reduce the amount
Procedures to acquire or dispose of	Procedures to acquire or dispose of	that requires the Board
property or equipment	property or equipment	of Directors' approval,
1. Appraisal and operational procedures	1. Appraisal and operational procedures	Subparagraph 2,
(Omitted)	(Omitted)	Paragraph 2 of this
2. Decision-making process of	2. Decision-making process of	article is amended.
transaction conditions and authorized	transaction conditions and authorized	
transaction amount	transaction amount	Subparagraph 3,

After the Amendment	Before the Amendment	Description
(1) (Omitted)	(1) (Omitted)	Paragraph 2 of this
(2) In acquiring or disposing of real	(2) In acquiring or disposing of real	article falls into the
property or equipment, the Company	property or equipment, the	procedures for handling
shall choose from either compare	Company shall choose from either	related party
pricing, negotiation, or bidding	compare pricing, negotiation, or	transactions, so it is
process. For transaction amount	bidding process. For transaction	incorporated into
below NT\$ <del>300</del> <u>20</u> million	amount below NT\$300 million	Subparagraph 3,
(inclusive), the units responsible can	(inclusive), the units responsible can	Paragraph 2 of Article 9;
exercise decision-making rights; for	exercise decision-making rights; for	Subparagraph 3,
each transaction over NT\$30020	each transaction over NT\$300	Paragraph 2 of this
million, approval from the Chairman	million, approval from the	article is deleted
is needed and approval from the	Chairman is needed and approval	accordingly.
Board shall also be obtained prior to	from the Board shall also be	
executions.	obtained prior to executions.	
(3) In acquiring or disposing of	(3) In acquiring or disposing of	
operating equipment between the	operating equipment between the	
Company and its subsidiary, the	Company and its subsidiary, the	
Chairman can be authorized to	Chairman can be authorized to	
approve of the transaction if the	approve of the transaction if the	
transaction amount is no more than	transaction amount is no more than	
NT\$100 million (inclusive) and then	NT\$100 million (inclusive) and	
submitted to the most recent Board	then submitted to the most recent	
meeting on an after event basis.	Board meeting on an after-event	
(The following is omitted.)	basis.	
	(The following is omitted.)	
Article 9:	Article 9:	The Audit Committee
Procedures for Handling Related Party	Procedures for Handling Related Party	has been established, so
Transactions	Transactions	the existing supervisor
1. (Omitted)	1. (Omitted)	system is canceled.
2. Appraisal and operation procedures	2. Appraisal and operation procedures	
(1) When the Company intends to	(1) When the Company intends to	Subparagraph 3,
acquire or dispose of real estate	acquire or dispose of real estate	Paragraph 2 of Article 7
from or to a related party, or when	from or to a related party, or when	is incorporated into
it intends to acquire or dispose of	it intends to acquire or dispose of	Subparagraph 3,
assets other than real estate from	assets other than real estate from	Paragraph 2 of this
or to a related party and the	or to a related party and the	article, and "parent
transaction amount exceeds 20%	transaction amount exceeds 20%	company" is deleted.
or more of paid-in capital, 10% or	or more of paid-in capital, 10% or	
more of the Company's total	more of the Company's total	
assets, or more than NT\$300	assets, or more than NT\$300	
million (except in trading of	million (except in trading of	
government bonds or bonds under	government bonds or bonds	

After the Amendment	Before the Amendment	Description
repurchase and resale agreements,	under repurchase and resale	•
or subscription or repurchase of	agreements, or subscription or	
currency market funds issued by	repurchase of currency market	
domestic securities investment	funds issued by domestic	
trust enterprises), the Company	securities investment trust	
shall not enter into a transaction	enterprises), the Company shall	
contract or make payment until	not enter into a transaction	
the following matters have been	contract or make payment until	
approved by the Audit Committee	the following matters have been	
and the Board of Directors and	approved by the Board of	
Supervisors:	Directors and Supervisors:	
(Omitted)	(Omitted)	
(2) The calculation of the transaction	(2) The calculation of the transaction	
amounts referred to in Paragraph	amounts referred to in Paragraph	
1 and 2 (1) shall be made in	1 and 2 (1) shall be made in	
accordance with Paragraph 1 (5)	accordance with Paragraph 1 (5)	
in Article 14, and "within the	in Article 14, and "within the	
preceding year" as used herein	preceding year" as used herein	
refers to the year preceding the	refers to the year preceding the	
date of occurrence of the current	date of occurrence of the current	
transaction. Items that have been	transaction. Items that have been	
approved by the Audit Committee	approved by the Board of	
and the Board of Directors and	Directors and recognized by the	
recognized by the Supervisors	Supervisors need not be counted	
need not be counted toward the	toward the transaction amount.	
transaction amount.	(3) With respect to the acquisition or	
(3) With respect to the acquisition or	disposal of business-use	
disposal of business-use	equipment between the Company	
equipment between the Company	and its parent company or	
and its <del>parent company or</del>	subsidiaries, the Company's	
subsidiaries, the Company's	Board may delegate the	
Board may delegate the Chairman	Chairman to decide such matters	
to decide such matters when the	when the transaction is within a	
transaction is within a certain	certain amount. The decision	
amount-less than NT\$100 million	shall be reported in the next	
(inclusive). The decision shall be	Board meeting in an after-event	
reported in the next Board	basis.	
meeting in an after-event basis.	(4) Where the position of	
(4) Where the position of Independent	Independent Director has been	
Director has been created in the	created in the Company pursuant	
Company pursuant to the	to the Securities and Exchanges	
Securities and Exchanges Act,	Act, when a matter is submitted	

After the Amendment	Before the Amendment	Description
wWhen a matter is submitted for	for discussion by the Board of	
discussion by the Board of	Directors pursuant to Paragraph 2	
Directors pursuant to Paragraph 2	(1), the Board shall take into full	
(1), the Board shall take into full	consideration each Independent	
consideration each Independent	Director's opinions. If an	
Director's opinions. If an	Independent Director objects to	
Independent Director objects to or	or expresses reservations about	
expresses reservations about any	any matter, it shall be recorded in	
matter, it shall be recorded in the	the minutes of the Board meeting.	
minutes of the Board meeting.	3. Evaluation of the reasonableness of	
3. Evaluation of the reasonableness of	the transaction costs	
the transaction costs	(1) (Omitted)	
(1) (Omitted)	(2) (Omitted)	
(2) (Omitted)	(3) (Omitted)	
(3) (Omitted)	(4) (Omitted)	
(4) (Omitted)	(5) (Omitted)	
(5) (Omitted)	2. Supervisors shall comply with	
2. The Audit Committee	Article 218 of the Company	
Supervisors shall comply with	Act.	
Article 218 of the Company	3. (Omitted)	
Act.	(6) (Omitted)	
3. (Omitted)	(7) (Omitted)	
(6) (Omitted)		
(7) (Omitted)		
Article 12:	Article 12:	The Audit Committee
Processes to handle acquisition or	Processes to handle acquisition or	has been established, so
disposal of derivative products	disposal of derivative products	the existing supervisor
1. Principles	1. Principles	system is canceled.
(1) (Omitted)	(1) (Omitted)	
(2) (Omitted)	(2) (Omitted)	
(3) Scope of responsibilities	(3) Scope of responsibilities	
A. (Omitted)	A. (Omitted)	
B. (Omitted)	B. (Omitted)	
C. Auditing Division: Evaluation,	3. Auditing Division:	
supervision, and control of	Evaluation, supervision, and	
transaction risks in the	control of transaction risks	
financial department. If a	in the financial department.	
material breach is found, the	If a material breach is found,	
Audit Committee the	the Supervisor shall be	
Supervisor-shall be notified via	notified via written	
written document.	document.	
D. (Omitted)	D. (Omitted)	

After the Amendment	Before the Amendment	Description
E. (Omitted)	E. (Omitted)	
F. (Omitted)	F. (Omitted)	
2. (Omitted)	2. (Omitted)	
3. Internal Audit Procedures	3. Internal Audit Procedures	
(1) The internal audit personnel shall	(1) T he internal audit personnel shall	
periodically assess the	periodically assess the	
effectiveness of the internal	appropriateness of the internal	
controls on derivatives and	controls on derivatives trading	
conduct monthly audits on the	and conduct monthly audits on	
derivatives trading to ensure	the derivatives trading to ensure	
proper adherence to the Processes	proper adherence to the Processes	
and analyze trading cycles. Audit	and analyze trading cycles. Audit	
reports shall be prepared. If any	reports shall be prepared. If any	
material violation is discovered,	material violation is discovered,	
the Supervisor-Audit Committee	the Supervisor shall be notified in	
shall be notified in writing.	writing.	
(2) (Omitted)	(2) (Omitted)	
4. (Omitted)	4. (Omitted)	
5. (Omitted)	5. (Omitted)	
6. (Omitted)	6. (Omitted)	
Article 17: Implementation and	Article 17: Implementation and	The Audit Committee
Amendment	Amendment	has been established, so
These Procedures, and any amendments	These Procedures, and any amendments	the existing supervisor
thereto, shall be submitted to the	thereto, shall be submitted to the	system is canceled; the
Supervisors after passage by approved	Supervisors after passage by the Board,	expression of this article
by the Audit Committee and the Board,	and then reported at the Shareholders	is slightly amended.
and then reported at the Shareholders	Meeting for approval prior to	
Meeting for approval prior to	implementation. If any Director	
implementation.	expresses dissent and it is recorded in	
If any Director expresses dissent and it is	the minutes or a written statement, the	
recorded in the minutes or a written	Company shall submit the Director's	
statement, the Company shall submit the	dissenting opinion to each Supervisor.	
Director's dissenting opinion to each	Where the position of Independent	
Supervisor the Audit Committee.	Director has been created in the	
Where the position of Independent	Company pursuant to the Securities and	
Director has been created in the	Exchange Act, when the above	
Company pursuant to the Securities and	Procedure is submitted for discussion	
Exchange Act, When the above	by the Board meeting, the Board of	
Procedure is submitted for discussion by	Directors shall take into full	
the Board of Directors, the Board of	consideration each Independent	
Directors shall take into full	Director's opinions. If an Independent	
consideration each Independent	Director objects to or expresses	

After the Amendment	Before the Amendment	Description
Director's opinions. If an Independent	reservations about any matter, it shall be	
Director objects to or expresses	recorded in the minutes of the board of	
reservations about any matter, it shall be	director meeting.	
recorded in the minutes of the board of		
director meeting.		

# Mercuries & Associates Holding, Ltd. Comparison Table for the Procedures for Endorsement and Guarantee Before and After Amendment

After the Amendment	Before the Amendment	Description
Article 6	Article 6	The Audit Committee
Hierarchy of Decision-making Authority	Hierarchy of Decision-making Authority	has been established,
and Delegation	and Delegation	so a proviso is added
The Company's hierarchy of	The Company's hierarchy of	to Paragraph 1; in
decision-making authority and delegation	decision-making authority and delegation	addition, the
to make endorsements/guarantees is as	to make endorsements/guarantees is as	expression of
follows:	follows:	Paragraph 3 is slightly
1. When making an	1. When making an	amended.
endorsement/guarantee for others, the	endorsement/guarantee for others, the	
Company shall conduct the review	Company shall conduct the review	
procedures prescribed in Article 7. The	procedures prescribed in Article 7. The	
Company may make an	Company may make an	
endorsement/guarantee only after the	endorsement/guarantee only after the	
evaluation results have been resolved	evaluation results have been resolved	
by the Board of Directors, or approved	by the Board of Directors, or approved	
by the Chairman of the board within a	by the Chairman of the board within a	
specific limit prescribed in	specific limit prescribed in	
Subparagraph 4, for subsequent	Subparagraph 4, for subsequent	
submission to and ratification by the	submission to and ratification by the	
next board of director meeting. Major	next board of director meeting.	
endorsements/guarantees shall be		
approved by the Audit Committee and		
adopted by the Board of Directors.	2. (Omitted)	
2. (Omitted)	3. Where the Company has established	
3. Where the Company's Board of	the position of independent director,	
<u>Directors</u> has established the position	when it submits	
of independent director, when submits	endorsements/guarantees prescribed in	
endorsements/guarantees prescribed in	Subparagraphs 1, 2 and 5 for	
Subparagraphs 1, 2 and 5 for	discussion, it shall take into full	
discussion, it shall take into full	consideration the opinions of each	
consideration the opinions of each	independent director; independent	
independent director; independent	Directors' opinions specifically	
Directors' opinions specifically	expressing assent or dissent and the	
expressing assent or dissent and the	reasons for dissent shall be included in	
reasons for dissent shall be included in	the minutes of the Board of Directors	
the minutes of the Board of Directors	meeting.	
meeting.	4. (Omitted)	

After the Amendment	Before the Amendment	Description
4. (Omitted)	5. (Omitted)	
5. (Omitted)		
Article 10	Article 10	The Audit Committee
Internal Audit	Internal Audit	has been established,
The Company's internal auditors shall	The Company's internal auditors shall	so the existing
audit these Procedures and the	audit these Procedures and the	supervisor system is
implementation thereof no less frequently	implementation thereof no less frequently	canceled.
than quarterly and prepare written	than quarterly and prepare written	
records accordingly. They shall promptly	records accordingly. They shall promptly	
notify all the Supervisors-the Audit	notify all the Supervisors in writing of	
Committee in writing of any material	any material violation found.	
violation found.		
Article 13	Article 13	The Audit Committee
Other Matters	Other Matters	has been established,
1. Where as a result of changes of	1. Where as a result of changes of	so the existing
condition the entity for which an	condition the entity for which an	supervisor system is
endorsement/guarantee is made no	endorsement/guarantee is made no	canceled.
longer meets the requirements of these	longer meets the requirements of these	
Procedures, or the amount of	Procedures, or the amount of	
endorsement/guarantee exceeds the	endorsement/guarantee exceeds the	
limit, the Company shall adopt	limit, the Company shall adopt	
rectification plans and submit the	rectification plans and submit the	
rectification plans to all the	rectification plans to all the	
Supervisors-the Audit Committee, and	Supervisors, and shall complete the	
shall complete the rectification	rectification according to the schedule	
according to the schedule set out in the	set out in the plan.	
plan.	(The following is omitted.)	
(The following is omitted.)		
Article 15	Article 15	The Audit Committee
Implementation and Amendment	Implementation and Amendment	has been established,
After passage by the Audit Committee	After passage by the Board of Directors,	so the existing
and the Board of Directors, these	these Procedures shall be submitted to	supervisor system is
Procedures shall be submitted to each	each Supervisor and to the shareholders'	canceled.
Supervisor and the shareholders' meeting	meeting for approval. If any director	
for approval before implementation. If	expresses dissent and it is contained in	
any director expresses dissent and it is	the minutes or a written statement, the	
contained in the minutes or a written	Company shall submit the dissenting	
statement, the Company shall submit the	opinions to each Supervisor and for	
dissenting opinions to each Supervisor	discussion by the shareholders' meeting.	

After the Amendment	Before the Amendment	Description
the Audit Committee and for discussion	The same shall apply to any amendments	
by the shareholders' meeting. The same	to these Procedures.	
shall apply to any amendments to these	Where the Company has established the	
Procedures.	position of independent director, when it	
Where the Company has established the	submits these Procedures for discussion	
position of independent director, wWhen	by the Board of Directors pursuant to the	
it the Company submits these Procedures	preceding paragraph, the Board of	
for discussion by the Board of Directors	Directors shall take into full	
pursuant to the preceding paragraph, the	consideration each independent director's	
Board of Directors shall take into full	opinions; the independent Directors'	
consideration each independent director's	opinions specifically expressing assent or	
opinions; the independent Directors'	dissent and the reasons for dissent shall	
opinions specifically expressing assent or	be included in the minutes of the board of	
dissent and the reasons for dissent shall	director meeting.	
be included in the minutes of the board of		
director meeting.		
Article 16	Article 16	The number and date
Amendment Dates	Amendment Dates	of the amendment
These Procedures were amended and	These Procedures were amended and	hereto are added.
adopted by the shareholders' meeting on	adopted by the shareholders' meeting on	
June 20, 2003.	June 20, 2003. (Omitted)	
(Omitted)	The sixth amendment was made on June	
The sixth amendment was made on June	20, 2014.	
20, 2014.		
The seventh amendment was made on		
June 22, 2018.		

## Mercuries & Associates Holding, Ltd. Comparison Table for the Procedures for Lending Funds to Other Parties Before and After Amendment

	and After Amendment	
After the Amendment	Before the Amendment	Description
Article 3	Article 3	The expression of this article
Object of Lending of Funds	Object of Lending of Funds	is slightly amended in
The Company may lend funds to the	The Company may lend funds to the	accordance with the
following companies:	following companies:	Regulations Governing
1. A company or firm with which it	1. A company or firm with which it	Loaning of Funds and Making
does business.	does business.	of Endorsements/Guarantees
2. A company or firm which has a	2. A company or firm which has a	by Public Companies.
need of short-term financing after	need of short-term financing after	
being identified by the Board of	being identified by the Board of	
<del>Directors</del> .	Directors.	
The term "short-term" referred to in	The term "short-term" referred to in	
the preceding paragraph shall mean	the preceding paragraph shall mean	
one year or one operating cycle	one year or one operating cycle	
(whichever is longer).	(whichever is longer).	
Article 4	Article 4	The same regulation has
Evaluation Standards for Lending of	Evaluation Standards for Lending of	prescribed in Subparagraph 2,
Funds to Other Parties	Funds to Other Parties	Paragraph 1 of Article 5, so
1. Where funds are lent between the	1. Where funds are lent between the	Paragraph 1 of this article is
Company and another company or	Company and another company or	deleted.
firm for reasons of business	firm for reasons of business	Paragraph 2 of this article is
dealings, the regulations prescribed	dealings, the regulations prescribed	amended according to the
in Subparagraph 2, Paragraph 1,	in Subparagraph 2, Paragraph 1,	Regulations Governing
Article 5 shall apply.	Article 5 shall apply.	Loaning of Funds and Making
2. The Company shall lend funds to	2. Where the Company lends funds to	of Endorsements/Guarantees
another company or firm which the	another company or firm which the	by Public Companies and
Board of Directors identifies to	Board of Directors identifies to	Article 8 that "The Company
have has a need of short-term	have a need of short-term	shall lend funds to others after
financing subject to the following	financing, subject to the following	the resolution of the Board of
circumstances:	circumstances:	Directors".
(1) (Omitted)	(1) (Omitted)	
(2) (Omitted)	(2) (Omitted)	
(3) Other companies having a need of	(3) Other companies having a need of	
financing as resolved by the	financing as resolved by the Board	
Board of Directors.	of Directors.	
Article 5	Article 5	The expression of this article
Aggregate Amount of Loans and	Aggregate Amount of Loans and	is slightly amended for

After the Amendment	Before the Amendment	Description
Maximum Amount Permitted to a	Maximum Amount Permitted to a	clarification.
Single Borrower	Single Borrower	
(Paragraphs 1 and 2 are omitted.)	(Paragraphs 1 and 2 are omitted.)	
The restriction in Subparagraph 1,	For inter-company loans between	
Paragraph 1 shall not apply to	foreign companies in which the	
inter-company loans between foreign	Company holds, directly or	
companies in which the Company	indirectly, 100% of the voting shares,	
holds, directly or indirectly, 100% of	the amount of loans shall be governed	
the voting shares; however, the	by the procedures for lending funds to	
amount of loans shall be governed by	other parties established by each	
the procedures for lending funds to	subsidiary. The duration of each loan	
other parties established by each	shall be within a period not to exceed	
subsidiary. The duration of each loan	one year.	
shall be within a period not to exceed	-	
one year.		
Article 8	Article 8	The Audit Committee has
Decision-Making Hierarchy	Decision-Making Hierarchy	been established, so a proviso
The Company shall lend funds to	The Company shall lend funds to	is added to Paragraph 1.
others after the resolution of the	others after the resolution of the	
Board of Directors. The Company	Board of Directors. The Company	
shall not empower any other person	shall not empower any other person	
to make such a decision. Major funds	to make such a decision.	
lending shall be reported to the Board		
of Directors for resolution after being	(Paragraphs 2 and 3 are omitted.)	
approved by the Audit Committee.	Where the Company has established	
(Paragraphs 2 and 3 are omitted.)	the position of independent director,	
Where the Company has established	when it lends funds to others, it shall	
the position of independent director,	take each independent director's	
When it the Company lends funds to	opinions into full consideration;	
others, it shall take each independent	independent Directors' opinions	
Director's opinions into full	specifically expressing assent or	
consideration; independent Directors'	dissent and their reasons for dissent	
opinions specifically expressing	shall be included in the minutes of the	
assent or dissent and their reasons for	board of director meeting.	
dissent shall be included in the		
minutes of the board of director		
meeting.		
Article 14	Article 14	The Audit Committee has
Internal Audit	Internal Audit	been established, so the
The Company's internal auditors shall	The Company's internal auditors shall	existing supervisor system is
audit the Operational Procedures for	audit the Operational Procedures for	canceled.
	1	

After the Amendment	Before the Amendment	Description
Loaning Funds to Others and the	Loaning Funds to Others and the	
implementation thereof no less	implementation thereof no less	
frequently than quarterly and prepare	frequently than quarterly and prepare	
written records accordingly. They	written records accordingly. They	
shall promptly notify all the	shall promptly notify all the	
Supervisors the Audit Committee in	Supervisors in writing of any material	
writing of any material violation	violation found.	
found.		
Article 17	Article 17	The Audit Committee has
Other matters	Other matters	been established, so the
1. If, as a result of a change in	1. If, as a result of a change in	existing supervisor system is
circumstances, an entity to which	circumstances, an entity to which	canceled.
a fund is lent does not meet the	a fund is lent does not meet the	
requirements of these Procedures	requirements of these Procedures	
or the loan balance exceeds the	or the loan balance exceeds the	
limit, the Company shall adopt	limit, the Company shall adopt	
rectification plans and submit the	rectification plans and submit the	
rectification plans to all the	rectification plans to all the	
Supervisors the Audit Committee,	Supervisors, and shall complete	
and shall complete the	the rectification according to the	
rectification according to the	schedule set out in the plan.	
schedule set out in the plan.	(The following is omitted.)	
(The following is omitted.)		
Article 19	Article 19	The Audit Committee has
Implementation	Implementation	been established, so the
After passage by the Audit	After passage by the Board of	existing supervisor system is
Committee and the Board of	Directors, these Procedures and any	canceled. Part of Paragraph 1
Directors, these Procedures shall be	amendments thereto shall be	and Paragraph 2 are added in
submitted to the Supervisors and	submitted to the Supervisors and	accordance with the
reported to the shareholders' meeting	reported to the shareholders' meeting	Regulations Governing
for approval prior to implementation.	for approval prior to implementation.	Loaning of Funds and Making
If any director expresses dissent and	The same shall apply to any	of Endorsements/Guarantees
it is contained in the minutes or a	amendments to these Procedures.	by Public Companies.
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 these Procedures.		
When the Company submits the		
Procedures to the Board of Directors		

After the Amendment	Before the Amendment	Description
for discussion pursuant to the		
preceding paragraph, the Board of		
Directors shall take into full		
consideration 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 director		
meeting.		
Article 20	Article 20	The number and date of the
These Procedures were established	These Procedures were established	amendment hereto are added.
on March 19, 1988. (Omitted)	on March 19, 1988. (Omitted)	
The seventh amendment was made	The seventh amendment was made	
on June 21, 2013.	on June 21, 2013.	
The eighth amendment was made on		
June 22, 2018.		

## **Director Nominees**

Caregory	Name	Education	Experience	Currentt Position	Number of Shares (Unit: Share)	Name of Government Agency or Corporation Represented	Other Information
Director	Chen,Shiang-Li	MBA, Georgetown University	General Manager, Mercuries & Associates Holding, Ltd.	Chairman, Mercuries & Associates Holding, Ltd. Chairman, Mercuries General Media, Inc. Chairman, Mercuries Leisure Co., Ltd. Chairman, Shanghong Investment Co., Ltd. Chairman, Tastynoodle Co., Ltd. Chairman, Family Shoemart Co., Ltd. Chairman, Mercuries Foodservice Co., Ltd. Chairman, Mercuries Foodservice Co., Ltd. Chairman, Asiandawn Venture Inc. Chairman, Mercuries Social Welfare And Charity Foundation, Taoyuan County. Director, Mercuries Life Insurance Co., Ltd. Director, Mercuries Data Systems Ltd. Director, SCI Pharmtech, Inc. Director, Mercuries & Associates, Ltd. Director, Mercuries Liquor & Food Co., Ltd. Director, Mercuries Furniture Co., Ltd. Director, Simple Mart Retail Co., Ltd. Director, Mercury Fu Bao Co., Ltd. Director, Shanglin Investment Co., Ltd. Director, Simple Mart Plus Co., Ltd. Director, Foundation for Taiwan Masters Golf Tournament Director, Foundation of Chinese Dietary Culture Chairman, Criminal Investigation and Prevention Association R.O.C. Chairman, R.O.C Taiwan Teeball Association Executive Director, The Chinese Slow Pitch Softball Association	157,530,708	Shanglin Investment Co., Ltd.	None
Director	Chen,Shiang-Chung	Bachelor of Industrial Engineering, Purdue University	Departmental Chief, Walsin Lihwa Corporation	Chairman & General Manager, Mercuries Data Systems Ltd. Chairman & General Manager, Wayia. Com Inc. Chairman, Mercuries Life Insurance Agency Co., Ltd. Chairman, Hipact Tech. Inc. Chairman, Mercuries Soft (Nanjing) Ltd. Chairman, Mercuries Co., Ltd. Director, Mercuries & Associates Holding, Ltd. Director, Mercuries Information Co., Ltd. Director, Shanglin Investment Co., Ltd. Director, Shanglong Investment Co., Ltd. Director, EasyCard Corporation Director, Foundation for Taiwan Masters Golf Tournament	157,530,708	Shanglin Investment Co., Ltd.	None

Caregory	Name	Education	Experience	Currentt Position	Number of Shares (Unit: Share)	Name of Government Agency or Corporation Represented	Other Information
				Independent Director, Walsin Lihwa Corporation Independent Director, Key Ware Electronics Co., Ltd. Independent Director, Teco Image Systems Co., Ltd. Supervisor, Powertec Energy Corp. Supervisor, Director, Digicentre Company Limited Vice Chairman, Criminal Investigation and Prevention Association R.O.C. Member of Remuneration Committee, Walsin Lihwa Corporation.			
Director	Wong,Wei-Chyun	Ph.D. in Chemistry, University of Pennsylvania	General Manager, SCI Pharmtech, Inc.	Chairman & General Manager, SCI Pharmtech, Inc. Chairman & General Manager, Yushan Pharmaceuticals Inc. Chairman, Yushan Holding Universal Ltd. Director, Mercuries & Associates Holding, Ltd. Director, Shuren Investment Co., Ltd. Director, Shufeng Investment Co., Ltd. Director, Foundation for Taiwan Masters Golf Tournament Director, CMG International One Co., Ltd. Director, CMG International Two Co., Ltd. Director, Criminal Investigation and Prevention Association R.O.C.	108,631,770	Shuren Investment Co., Ltd.	None
Director	Fang,Cheng-Yi	Bachelor of Business, National Taiwan University	President, Avnet Asia Pte Ltd., Taiwan Branch	Chairman, De Cheng Culture and Art Foundation Director, Mercuries & Associates Holding, Ltd. Director, Foundation of Chinese Dietary Culture Director, Foundation for Taiwan Masters Golf Tournament Director, Macronix International Co., Ltd.	5,961,052	None	None
Director	Mao,Ming-Yu	Bachelor of English, Tamkang University	General Manager of Food Division & Life Division, Mercuries & Associates Holding, Ltd.	Director, Mercuries & Associates Holding, Ltd. Independent Director, Rodex Fasteners Corp.	157,530,708	Shanglin Investment Co., Ltd.	None
Director	Cheng,I-Teng	Bachelor of Banking, National Chengchi University	General Manager, First Worldsec Securities (Hong Kong) Consultant, Horizon Securities Corp. Senior Vice General Manager, Department of Capital Market, Horizon Securities Corp. Director, Horizon SICE Director & General Manager, Horizon Securities (Hong Kong) Limited Vice General Manager, Lianghua Guigu Touzi Guanli Co., Ltd. (Ningbo)	Supervisor, Mercuries & Associates Holding, Ltd. Executive Director, Golden Points Capital Management Limited	157,530,708	Shanglin Investment Co., Ltd.	None

## Independent Director Nominees

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Caregory	Name	Education	Experience	Currentt Position	Number of Shares (Unit: Share)	Name of Government Agency or Corporation Represented	Other Information
Independent Director	Ted Tu	MBA, University of Houston Department of Business Administration, National Taiwan University	President, International Development Corporation Associate Manager, Department of Investment Development, CFO, Manager, Department of International Finance, Chief Auditor, Assistant Manager, Department of Finance (Taipei), Uni-President Enterprises Corporation Deputy Section Chief, Department of Loan and Guarantee, Export-Import Bank Coordinator, Department of Export, Bank of America Taipei Branch	Chairman, Xuan He Technology Corp. President, Outstanding Cayenne Corp. Independent Director, Sitronix Technology Corp. Independent Director, Coretronic Corp. Independent Director, SCI Pharmtech, Inc. Member of Remuneration Committee, Mercuries & Associates Holding, Ltd.	0	None	None
IndependentD irector	Lee,Mao	Master in China Studies, Tamkang University	Director General & Vice Director General, Customs Administration, Ministry of Finance; Director General & Vice Director General, Taipei Customs; Vice Director General, Keelung Customs Associate Professor, Chihlee University of Technology; Assistant Professor, National Taichung University of Science and Technology Member and Chairman of Remuneration Committee, Taiwan Cooperative Financial Holding Co., Ltd. Independent Director, Taiwan Cooperative Bank, Ltd. Member and Chairman of Remuneration Committee, Taiwan Cooperative Bank, Ltd. Member of the Board of Examiners for the 2006 and 2008 Professional and Technical Examinations. Consultant, Taipei Automobile Distributors Association	Independent Director, Mercuries & Associates Holding, Ltd. Member and Chairman of Remuneration Committee, Mercuries & Associates Holding, Ltd. Independent Director, Farglory Free Trade Zone Director, Pan German Universal Motors Ltd. Director, Customs Association of the R.O.C	0	None	None
Independent Director	Jeffrey Chen	Master of Business Administration, University of British Columbia	Vice President, Bankers Trust Co., Taipei Branch	Chairman, Shanghai Dinghui Real Estate Development Co., Ltd. Chairman, Shanghai Dingwei Real Estate Development Co., Ltd.	0	None	None

Chairman, Shanghai Dingyu Real Estate Develor Ltd. Chairman, Shanghai Dingqi Property Manageme Chairman, Kunshan Dinghong Real Estate Develor Ltd. Ltd. Chairman, Kunshan Dinghong Real Estate Develor Ltd.	nt Co., Ltd.
Chairman, Shanghai Dingqi Property Manageme Chairman, Kunshan Dinghong Real Estate Develo Ltd.	
Chairman, Kunshan Dinghong Real Estate Develo	
Ltd.	opment Co.,
Chairman Vandan Dinama Dad Estata Danda	
Chairman, Kunshan Dingyue Real Estate Develo	pment Co.,
Ltd.	
Chairman, Shanghai Ding Fan Department Store	
Independent Director, Mercuries & Associates H	olding, Ltd.
Member of Remuneration Committee, Mercuries	&
Associates Holding, Ltd.	
Director(representative) & General Manager of G	China
Headquarters in Shanghai, Advanced Semicondu	ctor
Engineering, Inc.	
Director (representative), ASE Test, Inc.	
Director (representative), ASE (Kunshan) Inc.	
Director, ASE Test Limited (Singapore)	
Director, ASE Test Holdings Ltd.	
Director, Omniquest Industrial Ltd.	
Director, ISE Labs, Inc.	
Director, ASE Investment (Labuan) Inc.	
Director, ASE Electronic Components (Shanghai	) Co. Ltd
Director (representative), ASE Electronics Co., I	
Director, Advanced Semiconductor Engineering	
Kong), Inc.	Trong
Director, Suzhou ASEN Semiconductors Co.,Ltd	
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Director, ASE Trading (Shanghai) Co., Ltd.	
Director, Super Zone Holdings Ltd.	
Director, HHI	
Director, USI (Shanghai) Co., Ltd.	
Director, Jiangsu Longchen Greentech Co., Ltd.	
Supervisor, ASE Assembly and Test (Shanghai)	Ltd.
Supervisor, USI Inc.	