Stock code:5263

Brogent Technologies Inc.
2019 Annual Shareholders' Meeting Minutes

Time: 9:00AM, Wednesday, May 29, 2019

Venue: No. 9, Fuxing 4th Road, Qianzhen District, Kaohsiung City
(Assembly Hall, Building A, Brogent Technologies)

Total Outstanding Brogent shares: 53,092,772 shares

Total shares represented by shareholders present in person or by proxy: 32,831,407 shares (among them 3,252,257 shares voted via electronic transmission.), percentage of shares held by shareholders present in person or by proxy: 61.83%.

Chairman: Chih-Chuan Chen, the Chairman of the Board of Directors

Presenters: Chih-Hung Ouyang (C.E.O.), Chin-Huo Huang (Director), Chun-Hao Cheng (Director), Chin-Wen Chuang (Independent Director), Yung-Liang Huang (Supervisor) , Yi-Hsiang Huang (Supervisor) , Ken-Huang Lin (Supervisor), Yi-Shun Chang (CPA of Grant Thornton Taiwan), Kalvin Huang (Lawyer of Formosan Brothers), Hui-Chuang Lin (C.F.O.)

Minutes Recorder: Fei-Hsiu Hsu

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

A. Chairman's Address (omitted)

B. Report Items

I: The 2018 Business Report is hereby submitted for review.
Please refer to Attachment 1 on page 8 of the Manual for the Business Report.

II: The 2018 Supervisors' Audit Report is hereby submitted for review.
Please refer to Attachment 2 on page 10 of the Manual for the Supervisors' Audit Report.

III: The Report on 2018 Remuneration Distribution of Employees, Directors, and Supervisors is hereby submitted for review.

Explanation: Pursuant to Article 21 of the Company's Articles of Incorporation, if the Company has generated profits in the current year, five to fifteen percent of the profits shall be set aside for employee remuneration. The remuneration for Directors and Supervisors shall be no higher than two percent. The proposed 2018 employee remuneration is NT$28,267,738 and the proposed remuneration for 2018 Directors and Supervisors is NT$5,975,840; both shall be distributed in cash and may be issued in installments.

IV: The Private Placement Status Report is hereby submitted for review.
Explanation: Placement status is as listed below:

<table>
<tr><td>Item</td><td colspan="5">Date of Issue: July 06, 2015</td></tr>
<tr><td>Types of Privately Placed Securities</td><td colspan="5">Ordinary shares</td></tr>
<tr><td>Date and number of shares passed in the shareholders' meeting</td><td colspan="5">On June 11, 2014, the annual shareholders' meeting passed the private placement of 3,300,000 ordinary shares, which shall take place in one or multiple tranches (no more than twice) within a year starting from the date of resolution.</td></tr>
<tr><td>Pricing criteria and rationality</td><td colspan="5">The pricing criterion for the issuance of privately placed ordinary share resolved in the annual shareholders' meeting on June 11, 2014, was no less than 80% of the reference price. This conforms to regulations governing public issuing companies regarding the terms and condition of private placement securities; therefore, the price should be deemed reasonable.</td></tr>
<tr><td>Method of selecting designated party</td><td colspan="5">Not applicable.</td></tr>
<tr><td>Necessary reason for private placement</td><td colspan="5">Compared with publicly placed securities, privately placed securities may not be transferred freely within three years, and such regulation ensures the long-term cooperation between the Company and placement subscribers. Moreover, in consideration of the timeliness and convenience of financing requirements and other factors such as capital market uncertainty, the issuance of ordinary share was conducted through private placement in lieu of public offering.</td></tr>
<tr><td>Date of Payment Completion</td><td colspan="5">2015.06.03</td></tr>
<tr><td rowspan="5">Subscriber information</td><td>Private placement subject</td><td>Criteria</td><td>Number of shares subscribed</td><td>Relation with the Company</td><td>Participation in corporate management</td></tr>
<tr><td>Kodasha Custody Account at Taipei Fubon Financial Bank</td><td rowspan="4">Conforms to Article 43-6 of the Securities and Exchange Act</td><td>250,000</td><td>None</td><td>None</td></tr>
<tr><td>Gains Investment Corporation</td><td>500,000</td><td>None</td><td>None</td></tr>
<tr><td>Shang Yang Investment Corporation</td><td>100,000</td><td>None</td><td>None</td></tr>
<tr><td>Chao Yang Investment</td><td>100,000</td><td>None</td><td>None</td></tr>
</table>

	Corporation				
	Cheng-Chien Pu		50,000	None	None
	Ming-Chu Kuo		30,000	None	None
Actual subscription (or conversion) price	NT$308.				
Actual subscription (or conversion) price and difference with reference price	No difference.				
Effect of private placement on shareholder's equity	The current private placement funds are utilized as operational funds to strengthen financial structure, facilitate operation promotion, attract long-term partners, and promote stable business growth, thus benefiting shareholders' rights and interests.				
Status of private placement fund spending and project implementation progress	All funds have been received and will be successively utilized following planning completion.				
Manifestation of private placement benefits	Not applicable.				

C. Ratifications

Item 1: The 2018 Business Report and Financial Report are hereby submitted for ratification. (Proposed by the Board of Directors)

Explanation: 1.The Company's 2018 Financial Report has been audited by CPAs Hui-Ping Liu and Jay Lo of Grant Thornton Taiwan. The Financial Report and Business Report have been forwarded to the Supervisors for review, and the written Audit Report is submitted for approval.

2.The Company's 2018 Business Report (please refer to Attachment 1 on page 8-9 of the Manual) and Financial Report (please refer to Attachment 3 on pages 11-21 of the Manual).

3.The reports are hereby submitted for ratification.

Resolution: The balloting outcome including votes exercised through electronic voting: 31,362,153 pro votes, accounting for 99.81% of the aggregate total votes; 227 con votes, 0 invalid vote, abstention/ Non-voting votes: 57,737 votes. The present issue is duly resolved exactly as proposed.

Item 2: The 2018 Earnings Distribution Proposal is hereby submitted for ratification. (Proposed by the Board of Directors)

Explanation: 1. The Company's net profit after tax in 2018 amounted to NT$257,168,051, of which 10% (NT$16,991,578) has been set aside as the legal reserve. The distributable profits available as of the end of 2018 amounted to NT$179,704,660. According to Article 22 of the Company's Articles of Incorporation, a cash dividend of NT$3.38 per share is proposed for the current year. Based on the 53,092,772 shares outstanding, the total cash dividend to be distributed is NT$179,453,569. The cumulative undistributed profits at the end of the period is NT$251,091.

2. The Board of Directors shall be authorized to separately establish a record date and issuance date etc. following the resolution of the Annual Shareholders Meeting.

3. In the event the numbers of shares outstanding are subsequently affected by changes in the Company's share capital or other reasons, resulting in the necessity to revise the shareholder's payout ratio, the shareholders shall be requested to authorize the Board of Directors at the Annual Shareholders Meeting to conduct such revision at its full discretion.

4. The Company's 2018 Earnings Distribution Table is as follows:

Brogent Technologies Inc.
PROFIT DISTRIBUTION TABLE
Year 2018

Unit: NT$

Item	Sub Total	Total
Balance, Beginning of Year	22,928,272	
Less: Effect of Retrospective Application of IFRS 9	(2,247,714)	
Less: Retirement of Treasury Shares	(85,004,549)	
Plus: Net Income in 2018	257,168,051	
Subtotal		169,915,788
Less: Legal Reserve	(16,991,578)	
Add: Special Reserve- Exchange Differences Arising on Translation of Foreign Operations	4,048,693	
Less: Remeasurement of Defined Benefit Plans	(196,515)	
		179,704,660
Distribution Item:		
Cash Dividends to Common Shareholders(NT$3.38 Per Share)	(179,453,569)	
Balance, end of Year		251,091

董事長：  總經理：  會計主管： 

5. The table is hereby submitted for ratification.

Resolution: The balloting outcome including votes exercised through electronic voting: 31,362,154 pro votes, accounting for 99.81% of the aggregate total votes; 226 con votes, 0 invalid vote, abstention/ Non-voting votes: 57,737 votes. The present issue is duly resolved exactly as proposed.

D. Matters for Discussion

Item 1: Proposal for Stock dividends distributed from a new share issue through capitalization of capital surplus is hereby submitted for discussion. (proposed by the Board of Directors)

Explanation: 1. To strengthen the capital structure, the management plans to have a new share issue through capital surplus transferred to capital in accordance with Article 241 of the Company Act. A stock dividend of NT$0.5 will be assigned free of charge per share based on the 53,092,772 shares outstanding. The total stock dividend to be distributed from capitalization of capital surplus is NT$26,546,386.

2. For share assignment, 50 shares will be assigned free of charge per 1,000 existing shares held shareholders as indicated in the shareholders' roster on the ex-dividend date. Shareholders must submit applications to the company's share transfer agent to combine their fractional shares within five days after the record date of capital increase. If the amount is still less than one share after combination or application for share combination is submitted late, the full amount is converted into cash based on their face value. These fractional shares will be subscribed on face value to specific person(s) designated by the Chairman.

3. The shareholder rights and obligations of the new shares are the same as those of existing shares. After the approval of the Annual Meeting of Shareholders and the competent authority, the new shares will be distributed on a record date determined by the Board.

4. If the number of total shares outstanding, prior to the ex-dividend date for the distribution, has changed due to the repurchasing of shares by the Company, such that the ratios of the stock dividends and cash dividends are affected and must be adjusted, the Board is authorized to make such adjustments.

5. It is proposed that the Board of Directors be authorized to take any action that may be required in connection with the capital increase plan as a result of any amendment to applicable laws or regulations or as required by the competent authorities..

6. Submitted for discussion.

Resolution: The balloting outcome including votes exercised through electronic voting: 31,362,153 pro votes, accounting for 99.81% of the aggregate total votes; 227 con votes, 0 invalid vote, abstention/ Non-voting votes: 57,737 votes. The present issue is duly resolved exactly as proposed.

Item 2: Proposal for Cash distribution from Capital Surplus is hereby submitted for discussion. (proposed by the Board of Directors)

Explanation: 1. It is proposed to distribute NT$32,917,518 from capital surplus of the issuing premium of the par value of the common share pursuant to Article 241 of the Company Act. A cash dividend of NT$0.62 per share is to be distributed based on the 53,092,772 shares outstanding.

2. The distribution will be based on the list of shareholders registered as of the record date of cash distribution of capital surplus. The aforementioned cash distribution will be paid to the rounded-down full NT dollar.
3. Upon the approval of the Annual Meeting of Shareholders, it is proposed that the Board of Directors be authorized to resolve the ex-dividend record date, issuance date and other relevant issues.
4. If the number of total shares outstanding, prior to the ex-dividend date for the distribution, has changed due to the repurchasing of shares by the Company, such that the ratios of the stock dividends and cash dividends are affected and must be adjusted, the Board is authorized to make such adjustments.
5. Submitted for discussion.

Resolution: The balloting outcome including votes exercised through electronic voting: 31,362,154 pro votes, accounting for 99.81% of the aggregate total votes; 228 con votes, 0 invalid vote, abstention/ Non-voting votes: 57,735 votes. The present issue is duly resolved exactly as proposed.

Item 3: The amendment of clauses of the “Articles of Incorporation” is hereby submitted for discussion. (proposed by the Board of Directors)

Explanation:
1. To implement corporate governance, amendments for clauses of the Company's “Articles of Incorporation” are proposed.
2. Please refer to Attachment 4 on page 22-23 of the Manual for the Comparison Table of the "Articles of Incorporation" before and after revision.
3. Submitted for discussion.

Resolution: The balloting outcome including votes exercised through electronic voting: 31,362,153 pro votes, accounting for 99.81% of the aggregate total votes; 227 con votes, 0 invalid vote, abstention/ Non-voting votes: 57,737 votes. The present issue is duly resolved exactly as proposed.

Item 4: The amendment of clauses of the “Procedures for Acquisition and Disposal of Assets” is hereby submitted for discussion. (proposed by the Board of Directors)

Explanation:
1. To comply with the laws and regulations of "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", it is proposed to revise “Procedures for Acquisition and Disposal of Assets”.
2. Please refer to Attachment 5 on page 24-43 of the Manual for the Comparison Table of the “Procedures for Acquisition and Disposal of Assets” before and after revision.
3. Submitted for discussion.

Resolution: The balloting outcome including votes exercised through electronic voting: 31,361,150 pro votes, accounting for 99.81% of the aggregate total votes;

227 con votes, 0 invalid vote, abstention/ Non-voting votes: 58,740 votes. The present issue is duly resolved exactly as proposed.

Item 5: The amendment of clauses of the “Operational Procedures for Loaning of Company Funds” and “Operational Procedures for Endorsements and Guarantees” is hereby submitted for discussion. (proposed by the Board of Directors)

Explanation: 1. To comply with the laws and regulations of "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies".

2. Please refer to Attachment 6 and Attachment 7 on page 44-52 of the Manual for the Comparison Table of the "Articles of Incorporation" before and after revision.

3. Submitted for discussion.

Resolution: The balloting outcome including votes exercised through electronic voting: 31,361,150 pro votes, accounting for 99.81% of the aggregate total votes; 230 con votes, 0 invalid vote, abstention/ Non-voting votes: 58,737 votes. The present issue is duly resolved exactly as proposed.

Special motions

There being no other business and special motion, upon a motion duly made and seconded, the meeting was adjourned.

Meeting adjourned at 9:27 AM Wednesday, May 29, 2019.

(Attachment 1)

Brogent Technologies Inc.
Business Report

1) Operating policies

Brogent has a abundant year of 2018 with the successful grand openings of our theme park clients, Ferrari Land, Europa Park and This is Holland. Among these successful cases, Europa Park has an outstanding record by its over 2 million visitors within only 6 months. In addition, the i-Ride “Voletarium” in Europa Park has awarded Europe’s Best New Ride, which further increased Brogent’s brand recognition in the international settings. Under the guidance of such policies, Brogent will gradually expand its productions from a delicate approach to mass production in 2018. The client base will also include franchised customers, which will boost our 2019 revenue growth. In order to enter the mid-sized segment, renovation and R&D will be the key elements to enhance the global market share of Brogent. Looking forward, with the continuous renovation and market expansion, the growth of Brogent is expectable.

2) Business Plan Implementation Results:

The Company's net operating revenue in 2018 amounted to NT$1,637 million, an increase of approximately 8.1% from the net operating revenue of NT$258 million in 2018. The Company's net profit in the current period amounted to NT$268 million, a 157% increase from NT$104 million in 2016.

3) Operating Income and Budget Execution

(1) Operating income

The categories of operating income in 2018 included income from projects, labor, and other operations, and the total amount was NT$1,514million, a growth of NT$633 million from the NT$882 million in 2016. The primary reason was the record number of received orders, resulting in the increase of total revenue for the year from the previous year.

(2) Operating expenses

Total operating expenses in 2018 amounted to NT$385 million, an increase of NT$48 million from the NT$336 million of 2017. The primary reasons was mainly from the increase of NT$24 million in the bonus of employee and directors, in addition to the purchase of necessary components of m-Ride. These expenditures resulted in the substantial increase of consolidated management and marketing expenses for the Group in 2018 compared to 2017.

4) Profitability analysis

The Company continued to expand its scale of operations and diversification in 2018. With an increase in revenue and effective budget control, the Group's operating expense ratio decreased from 38.17% in 2016 to 25.39%. Operating profits increased 214% and net profit after tax increased 157% from 2016. With the increase of new contracts and Brogent’s brand awareness in the global markets, as well as the business direction heading for the mid-sized segment, the growth power of 2018 is expected to be enhanced to the next level.

5) Research and development

The Company continues to provide customers with the best services, create joyful experiences, and maximize value for shareholders with its unique, industry-leading research and development capabilities. Despite an increase in research and development expenses in 2017, mostly from purchasing necessary components of m-Ride. The company had applied for government funding, in order to lower and control the research and development expenses occurred. The Company shall continue to innovate and remain committed to research and development because these aspects of operation embody corporate competitiveness. The Company shall continue to engage in advanced technological R&D and innovative applications, and implement product-centric design and research as well as systematic management to maintain the leading position of products and technologies, i.e. down-sized i-Ride, VR/AR products and Q-Ride.

董事長：　　總經理：　　會計主管：

(Attachment 2)

Brogent Technologies Inc.
Supervisors' Audit Report

The 2018 Financial Statements compiled and delivered by the Board of Directors have been audited by Hui-Ping Liu and Jay Lo, certified public accountants practicing at Grant Thornton Taiwan. The Financial Statements, along with the Business Report and Earnings Distribution Table, have been reviewed by the Supervisors who have found them to be compliant with regulations. The Audit Report is therefore provided in accordance with the provisions stipulated in Article 219 of the Company Act and filed for approval.

To

2019 Annual Shareholders Meeting of Brogent Technologies Inc.

Brogent Technologies Inc.

Supervisor: Yi-Hsiang Huang 黃一祥

Supervisor: Yung-Liang Huang 黃詠良

Supervisor: Gen-Huang Lin 林根煌

March 12, 2019

正大聯合會計師事務所
Grant Thornton

高雄所
80661 高雄市前鎮區中山二路91號13樓之2,之3
TEL: +886 7 537 2589 FAX: +886 7 537 3589

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of
Brogent Technologies Inc.

Opinion

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

In our opinion, based on our audit and the report of the other independent accountants, (please refer to the paragraph of Other Matters) the accompanying consolidated financial statements present fairly, in all material respects, the consolidated balance sheets of the Group as of December 31, 2018 and 2017, and its consolidated statements of comprehensive income 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 the 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 in Taiwan.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards in Taiwan. 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 Taiwan and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2018. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Key audit matters in this auditors' report are stated as follows:

Impairment of Accounts Receivable

Whether accounts receivable are impaired is subject to management's subjective judgment by determining the recoverable amount of overdue receivables with credit risk. The carrying amount is reduced through the use of an allowance account, and bad debts are recognized by reference to the assessment of the customers' credit quality. Therefore, we focus on the receivables with significant delays in the collection, and the reasonableness of bad debts recognized by management.

Grant Thornton

The Group's main business is the design, production and sales of the simulation entertainment equipment. In the past two years, the construction contract revenue accounts for more than 94.82% of the annual net revenue. The carrying amount of accounts receivable as of December 31, 2018 accounts for approximately 12.21% of current assets. The amount is significant and represents the major cash inflows provided by the operating activities of the Group. These involve the identification and subjective judgment for the construction contract, as a result, construction contract revenue and related receivable has been identified as a key audit matter.

Please refer to Note 4(15) to the consolidated financial statements for the related accounting policy. For the carrying amount of accounts receivable, please refer to Note 6(5) to the consolidated financial statements.

In relation to the key audit matter above, our principal audit procedures included to obtain the aging analysis of accounts receivable, calculate the aging intervals, and sample the original vouchers to examine whether the receivables are allocated in the aging analysis table appropriately; sample and deliver confirmation requests; test the collection subsequent to the reporting period to evaluate the reasonableness of allowance for impairment losses of accounts receivable; and obtain management's assessment on allowance for doubtful receivables to examine whether it is in accordance with the Group's accounting policy, and review the completeness and accuracy of related disclosures made by management.

Construction Contracts - Total Cost Estimates and the Recognition of the Stage of Completion

The Group estimates total costs of the construction contract for each project and measures the stage of completion according to the proportion of actual construction working hours to recognize its revenue and costs of the construction contract, which is the Group's main business. Total estimated costs, total estimated working hours required and actual working progress of the contract involve the effective implementation of the project contract and management's subjective judgment, which contain uncertainty for accounting estimates. Considering that the recognition of the Group's construction contract revenue and costs has a significant impact on the consolidated financial statements, this subject has been identified as a key audit matter.

Please refer to Note 4(8) to the consolidated financial statements for the accounting policy in regard to construction contracts. For net amount for the construction contract and the recognition of revenue and costs, please refer to Notes 6(6) and 6(23) of the consolidated financial statements.

In relation to the key audit matter above, our principal audit procedures included evaluation on whether the project construction contract is established in accordance with its relevant internal control operations; obtain the project cost list and project schedule to examine whether total cost and working hours are reasonably estimated based on management's accumulated experience and the current optimal situation; review expected changes of significant estimates; sample the original vouchers to examine whether the actual construction costs incurred have been listed in the appropriate period; confirm whether the actual stage of completion of the project plan has been reviewed by the appropriate authorized personnel and whether the construction schedule has been met; and evaluate the reasonableness of revenue and costs recognized according to the proportion of actual working progress.

Grant Thornton

Impairment of Property, Plant and Equipment and Intangible Assets

The value of property, plant and equipment and intangible assets is the future recoverable amount generating from related assets which have not been depreciated or amortized under the situation of management's continued operation. Management should evaluate whether there is any indication that assets may be impaired on each balance sheet date. If such indication exists, the recoverable amount of the asset should be estimated. When it is not possible to estimate the recoverable amount of an individual asset, management should estimate the recoverable amount of the cash-generating unit to which the asset belongs. Whether assets have been impaired and the calculations of the amount of the impairment loss involve multiple assumptions and accounting estimates, it is important to verify that the Group is in compliance with IAS 36 and that the carrying amount of above assets does not exceed the recoverable amount.

Please refer to Notes 4(10), (11) and (12) of the consolidated financial statements for related accounting policies. For the carrying amount of related assets, please refer to Notes 6(11) and (12) of the consolidated financial statements.

In relation to the key audit matter mentioned above, our principal audit procedures included to understand the design and implementation of the method of assessing impairment and its relevant control system; obtain the impairment assessment made by management on the basis of the cash-generating unit, and verify the reasonableness of the identification of the impairment as well as the appropriateness of assumptions used by management in relation to cash-generating unit division, cash flow forecast, discount rate, etc.

Other Matters – Making Reference to the Audits of Component Auditors

We did not audit the financial statements of a wholly-owned consolidated subsidiary whose statements are based solely on the reports of other auditors that is included in the consolidated financial statements. Total assets of the subsidiary amounted to NT$353,841 thousand and NT$350,275 thousand, which constituting 8.39% and 10.08% of consolidated total assets as of December 31, 2018 and 2017, respectively, and operating income was NT$ 91,970 thousand and NT$129,964 thousand, which constituting 5.62% and 8.58% of consolidated total operating income for the years ended December 31, 2018 and 2017, respectively.

We have also audited the individual financial statements of Brogent Technologies Inc. for the years ended December 31, 2018 and 2017 on which we have issued an unqualified opinion with other matter paragraph, as reference.

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, IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission in Taiwan, the Republic of China, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Grant Thornton

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 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 is in accordance with generally accepted auditing standards of in Taiwan, the Republic of China, and will detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, are 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 generally accepted auditing standards of Taiwan, the Republic of China, we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition, 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 those 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 assessment on Group's ability to continue as a going concern. Based on the audit evidence obtained, determine 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,

Grant Thornton

including the disclosures; and whether the consolidated financial statements truly capture all underlying transactions and events in a manner that achieve the fair presentation of the Group's financial performance and operation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the 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 in 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 in charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with those in charged with governance with all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2018 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Grant Thornton.

Grant Thornton
March 12, 2019
Kaohsiung, Taiwan
(File No. B002.19F0009)

The accompanying consolidated financial statements are not intended to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than those other than Taiwan. The standards, procedures and practices in Taiwan governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than those of Taiwan. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in Taiwan and their applications in practice.
As the financial statements are the responsibility of the management, Grant Thornton will not accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation of Group's consolidated financial statements, including notes to the consolidated financial statements.

BROGENT TECHNOLOGIES INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2018 AND 2017

(In Thousands of New Taiwan Dollars)

Items	December 31, 2018 Amount	%	December 31, 2017 Amount	%
Current Assets				
Cash and cash equivalents (Note 6(1))	$660,349	16	$710,647	20
Financial assets at fair value through profit or loss-current (Note 6(2))	459,056	11	230,967	7
Financial assets at amortized cost-current (Notes 6(3) and 8)	304,864	7	-	-
Debt investments with no active market-current (Note 6(4))	-	-	196,066	6
Notes and accounts receivable, net (Note 6(5))	326,625	8	225,968	7
Construction receipts receivable (Note 6(6))	529,353	12	440,021	13
Income tax assets	61	-	9,659	-
Inventories (Note 6(7))	200,016	5	189,115	5
Prepayments	162,390	4	159,587	5
Other current assets (Notes 6(13) and 8)	31,148	1	41,607	1
Total current assets	2,673,862	64	2,203,637	64
Noncurrent Assets				
Financial assets at fair value through profit or loss-noncurrent (Note 6(2))	134,530	3	-	-
Held-to-maturity financial assets- noncurrent (Note 6(8))	-	-	35,570	1
Financial assets at amortized cost-noncurrent (Notes 6(3) and 8)	59,175	2	-	-
Financial assets carried at cost - noncurrent (Note 6(9))	-	-	17,856	1
Investments accounted for using equity method (Note 6(10))	5,772	-	8,061	-
Property, plant and equipment (Notes 6(11) and 8)	1,066,459	25	951,441	27
Intangible assets (Note 6(12))	166,597	4	120,157	4
Deferred income tax assets (Note 6(26))	12,618	-	6,392	-
Refundable deposits	11,719	-	9,794	-
Long-term notes and accounts receivable (Note 6(5))	-	-	9,656	-
Other noncurrent assets (Notes 6(13) and 8)	85,079	2	112,338	3
Total noncurrent assets	1,541,949	36	1,271,265	36
Total Assets	$4,215,811	100	$3,474,902	100

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

(Continued)

BROGENT TECHNOLOGIES INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2018 AND 2017
(In Thousands of New Taiwan Dollars)

Items	December 31, 2018 Amount	%	December 31, 2017 Amount	%
Current Liabilities				
Notes payable	$11,328	-	$15,812	-
Accounts payable	109,690	3	35,111	1
Construction receipts payable (Note 6(6))	74,294	2	93,541	3
Other payables (Note 6(14))	110,080	3	96,101	3
Income tax payable	39,319	1	31,395	1
Long-term liabilities-current portion (Note 6(15))	108,927	3	38,576	1
Other current liabilities	79,185	2	2,607	-
Total current liabilities	532,823	14	313,143	9
Noncurrent Liabilities				
Long-term bank loans (Note 6(15))	759,343	18	342,474	10
Deferred income tax liabilities (Note 6(26))	16,008	-	5,730	-
Net defined benefit liabilities-noncurrent (Note 6(16))	8,165	-	7,835	-
Total noncurrent liabilities	783,516	18	356,039	10
Total Liabilities	1,316,339	32	669,182	19
Equity Attributable To Shareholders of the Parent				
Capital stock				
Common stock (Note 6(17))	530,928	13	446,780	13
Capital surplus				
Additional paid-in capital (Note 6(20))	1,779,281	42	1,793,826	52
From convertible bonds (Note 6(20))	247,223	6	249,244	7
From treasury shares (Note 6(20))	-	-	9,566	-
From share of changes in equities of associates and joint venture	1,219	-	849	-
Total capital surplus (Notes 6(18) and (19))	2,027,723	48	2,053,485	59
Retained earnings				
Legal reserve	73,817	2	47,250	1
Special reserve	4,049	-	751	-
Unappropriated earnings (Note 6(19))	192,647	4	318,257	9
Total retained earnings	270,513	6	366,258	10
Other equity				
Foreign Currenty Transation Reserve-subsidiaries accounted for using equity method	7,631	-	(3,409)	-
Foreign Currenty Transation Reserve-associates and joint ventures accounted for using equity method	(619)	-	(640)	-
Total other equity	7,012	-	(4,049)	-
Treasury shares (Note 6(20))	-	-	(115,476)	(3)
Equity Attributable To Shareholders Of The Parent	2,836,176	67	2,746,998	79
Non-controlling Interests (Note 6(21))	63,296	1	58,722	2
Total Equity	2,899,472	68	2,805,720	81
Total Liabilities and Equity	$4,215,811	100	$3,474,902	100

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

BROGENT TECHNOLOGIES INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017
(In Thousands of New Taiwan Dollars, Except Earnings per Share)

	2018		2017	
Items	Amount	%	Amount	%
Net Revenue (Note 6(23))	$1,637,438	100	$1,514,469	100
Cost of Revenue (Note 6(25))	(916,196)	(56)	(789,134)	(52)
Gross Profit	721,242	44	725,335	48
Operating Expenses				
Selling and marketing	(56,277)	(3)	(39,867)	(3)
General and administrative	(257,083)	(16)	(214,785)	(14)
Research and development	(118,370)	(7)	(129,949)	(8)
Total operating expenses (Notes 6(25) and 7)	(431,730)	(26)	(384,601)	(25)
Operating Income	289,512	18	340,734	23
Non-operating Income and Losses				
Other gains and losses (Notes 6(24) and 7)	33,657	1	(12,911)	(1)
Interest income	11,368	-	7,216	-
Interest costs	(10,713)	-	(6,238)	-
Loss from investment in associates and joint ventures accounted for using equity method (Note 6(10))	(2,697)	-	(1,238)	-
Total non-operating income and loss	31,615	1	(13,171)	(1)
Income Before Income Tax	321,127	19	327,563	22
Income Tax Expenses (Note 6(26))	(62,709)	(4)	(56,382)	(4)
Net Income	258,418	15	271,181	18
Other Comprehensive Income (Loss)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit plans	(249)	-	(583)	-
Income tax benefit related to components of other comprehensive income that will not be reclassified subsequently (Note 6(26))	52	-	99	-
Items that may be reclassified subsequently to profit or loss				
Exchange differences arising on translation of foreign operations	11,075	1	(2,196)	-
Exchange differences arising on translation of foreign operations of associates and joint ventures accounted for using equity method(Note 6(10))	21	-	81	-
Income tax expense related to components of other comprehensive income that may be reclassified subsequently (Note 6(26))	-	-	(329)	-
Other comprehensive income (loss) for the year, net of income tax	10,899	1	(2,928)	-
Total Comprehensive Income (Loss) For The Year	$269,317	16	$268,253	18
Net Income Attributable To：				
Shareholders of the parent	$257,168	15	$265,670	18
Non-controlling interests	1,250	-	5,511	-
	$258,418	15	$271,181	18
Total Comprehensive Income (loss) Attributable To：				
Shareholders of the parent	$268,032	16	$262,742	18
Non-controlling interests	1,285	-	5,511	-
	$269,317	16	$268,253	18
Basic earnings per share (Note 6(27))	$4.84		$5.00	
Diluted earnings per share (Note 6(27))	$4.84		$5.00	

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

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

	Equity Attributable to Shareholders of the Parent									
	Capital Stock		Retained Earnings			Other Equity				
Items	Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Foreign Currency Transation Reserve	Treasury Shares	Equity Attributable to Shareholders of the Parent	Non-controlling Interests	Total Equity
Balance at January 1, 2018	$446,780	$2,053,485	$47,250	$751	$318,257	($4,049)	($115,476)	$2,746,998	$58,722	$2,805,720
Effect of retrospective application	-	-	-	-	(2,248)	-	-	(2,248)	-	(2,248)
Adjusted balance at January 1, 2018	446,780	2,053,485	47,250	751	316,009	(4,049)	(115,476)	2,744,750	58,722	2,803,472
Appropriations of prior year's earnings										
Legal reserve	-	-	26,567	-	(26,567)	-	-	-	-	-
Special reserve	-	-	-	4,049	(4,049)	-	-	-	-	-
Cash dividends	-	-	-	-	(176,976)	-	-	(176,976)	-	(176,976)
Stock dividends	88,488	-	-	-	(88,488)	-	-	-	-	-
Reversal of special reserve	-	-	-	(751)	751	-	-	-	-	-
Adjustments to share of changes in equities of associates and joint ventures	-	(100)	-	-	-	-	-	(100)	-	(100)
Net income in 2018	-	-	-	-	257,168	-	-	257,168	1,250	258,418
Other comprehensive income (loss) in 2018	-	-	-	-	(197)	11,061	-	10,864	35	10,899
Total comprehensive income in 2018	-	-	-	-	256,971	11,061	-	268,032	1,285	269,317
Retirement of treasury shares	(4,340)	(26,132)	-	-	(85,004)	-	115,476	-	-	-
Share-based payment transactions	-	470	-	-	-	-	-	470	69	539
Increase in non-controlling interests	-	-	-	-	-	-	-	-	5,511	5,511
Cash dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(2,291)	(2,291)
Balance at December 31, 2018	$530,928	$2,027,723	$73,817	$4,049	$192,647	$7,012	$-	$2,836,176	$63,296	$2,899,472
Balance at January 1, 2017	$446,780	$2,052,669	$37,115	$751	$173,816	($1,605)	($115,476)	$2,594,050	$53,136	$2,647,186
Appropriations of prior year's earnings										
Legal reserve	-	-	10,135	-	(10,135)	-	-	-	-	-
Cash dividends	-	-	-	-	(110,610)	-	-	(110,610)	-	(110,610)
Adjustments to share of changes in equities of associates and joint ventures	-	387	-	-	-	-	-	387	-	387
Net income in 2017	-	-	-	-	265,670	-	-	265,670	5,511	271,181
Other comprehensive income (loss) in 2017	-	-	-	-	(484)	(2,444)	-	(2,928)	-	(2,928)
Total comprehensive income in 2017	-	-	-	-	265,186	(2,444)	-	262,742	5,511	268,253
Share-based payment transactions	-	429	-	-	-	-	-	429	75	504
Balance at December 31, 2017	$446,780	$2,053,485	$47,250	$751	$318,257	($4,049)	($115,476)	$2,746,998	$58,722	$2,805,720

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

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

Items	2018	2017
Cash Flows From Operating Activities		
Income Before Income Tax	$321,127	$327,563
Adjustments for:		
The items of gains and losses:		
Depreciation	55,338	46,726
Amortization	38,393	35,713
Reversal of bad debts	-	(900)
Loss on financial assets at fair value through profit or loss	276	2,400
Interest expense	10,713	6,238
Interest income	(11,368)	(7,216)
Dividend income	-	(132)
Compensation cost of share-based payment transactions	539	504
Loss on investment in associates and joint ventures accounted for using equity method	2,697	1,238
Loss on disposal of property, plant and equipment	-	44
Unrealized currency exchange gains or loss	(13,886)	9,709
Total adjustments for the items of gains and losses	82,702	94,324
Changes in operating assets and liabilities:		
Decrease (increase) in financial assets at fair value through profit or loss	(233,239)	(90,192)
Decrease (increase) in notes and accounts receivable	(85,599)	86,496
Decrease (increase) in accounts receivable-related parties	-	25,681
Decrease (increase) in construction receipts receivable	(89,332)	(160,611)
Decrease (increase) in inventories	(10,901)	(38,772)
Decrease (increase) in prepayments	(2,803)	(128,572)
Decrease (increase) in other current assets	(25,090)	23,753
Decrease (increase) in other financial assets	-	92,637
Decrease (increase) in long-term notes and accounts receivable	-	(10,205)
Increase (decrease) in notes payable	(4,484)	(74,818)
Increase (decrease) in accounts payable	74,579	(38,750)
Increase (decrease) in construction receipts payable	(19,247)	87,806
Increase (decrease) in other payables	7,311	21,004
Increase (decrease) in other current liabilities	76,578	(1,680)
Increase (decrease) in net defined benefit liabilities-noncurrent	81	80
Net changes in operating assets and liabilities	(312,146)	(206,143)
Total adjustments	(229,444)	(111,819)
Cash generated from (used in) operations	91,683	215,744
Income taxes paid	(41,083)	(43,279)
Net cash provided by (used in) operating activities	50,600	172,465

(Continued)

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

Items	2018	2017
Cash Flows From Investing Activities		
Acquisitions of financial assets at fair value through profit or loss-noncurrent	(114,048)	-
Acquisitions of financial assets at amortized cost-current	(66,305)	-
Acquisitions of financial assets at amortized cost-noncurrent	(2,817)	-
Proceeds from debt investments with no active market	-	328,252
Acqusitions of investments accounted for using equity method	-	(2,679)
Acquisitions of property, plant and equipment	(166,438)	(77,210)
Decrease (increase) in refundable deposits	(926)	(1,665)
Acqusitions of intangible assets	(72,875)	(9,558)
Decrease (increase) in other non-current assets	(3,270)	(80,264)
Decrease (increase) in prepayments for equipment	-	831
Interest received	11,092	7,184
Dividend received	-	132
Net cash generated from (used in) investing activities	(415,587)	165,023
Cash Flows From Financing Activities		
Increase (decrease) in short-term bank loans	-	(20,000)
Proceeds from long-term bank loans	520,000	50,000
Repayments of long-term bank loans	(32,780)	(19,847)
Cash dividends paid	(176,976)	(110,610)
Interest paid	(10,549)	(6,190)
Cash dividend paid to noncontrolling interests	(2,291)	-
Increase (decrease) in noncontrolling interests	5,511	-
Net cash (used in) provided by financing activities	302,915	(106,647)
Effect of Exchange Rate Changes on Cash and Cash Equivalents□	11,774	(2,415)
Net Increase (Decrease) in Cash and Cash Equivalents	(50,298)	228,426
Cash and Cash Equivalents, Beginning of Year	710,647	482,221
Cash and Cash Equivalents, End of Year	$660,349	$710,647

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

(Attachment 4)

Comparison Table of the "Articles of Incorporation" of Brogent Technologies Inc. before and after Revision

Article Number	Before Revision	After Revision	Description
Article 14	The Company shall have five to seven Directors and one to three Supervisors, who are elected during shareholders' meetings from among persons of adequate capacity to each serve a term of three years. Their terms of service may be renewed if they are re-elected in the following election. The total amount of shares held by all Directors and Supervisors of the Company shall be determined in accordance with regulations of the competent authority responsible for securities. The Company may purchase liability insurance for the Directors and Supervisors during their term of office based on the compensation liabilities associated with their respective business accountabilities. The Board of Directors is authorized to determine the insurance coverage based on industry practices and standards. Following the public offering of the Company's shares, the aforementioned Directors shall consist of no less than two	The Company shall have five to seven Directors and one to three Supervisors, who are elected during shareholders' meetings from among persons of adequate capacity to each serve a term of three years. Their terms of service may be renewed if they are re-elected in the following election. The total amount of shares held by all Directors and Supervisors of the Company shall be determined in accordance with regulations of the competent authority responsible for securities. ~~The Company may purchase liability insurance for the Directors and Supervisors during their term of office based on the compensation liabilities associated with their respective business accountabilities. The Board of Directors is authorized to determine the insurance coverage based on industry practices and standards.~~ The aforementioned Directors shall consist of no less than two Independent Directors. A candidate nomination system shall be adopted in the election and the Independent Directors shall be elected by the shareholders meeting from the list of candidates. The guidelines for qualifications, shareholdings, restrictions on concurrent posts, nomination, election and any other matters to be complied with by the Independent Directors of the Company shall be prescribed by the relevant regulations of	Revised for the implementation of corporate governance.

	Independent Directors pursuant to Article 14-2 of the Securities and Exchange Act; a candidate nomination system shall be adopted in the election and the Independent Directors shall be elected by the shareholders meeting from the list of candidates. The guidelines for qualifications, shareholdings, restrictions on concurrent posts, nomination, election and any other matters to be complied with by the Independent Directors of the Company shall be prescribed by the relevant regulations of the competent authority in charge of securities.	the competent authority in charge of securities. From year 2020, the Company shall have seven to nine Directors. The aforesaid Board of Directors must have at least three independent directors. The Board of Directors is authorized to determine the number of Directors. The Company may purchase liability insurance for the Directors and Supervisors during their term of office based on the compensation liabilities associated with their respective business accountabilities. The Board of Directors is authorized to determine the insurance coverage based on industry practices and standards.	
Article 25	The Articles of Incorporation were established on October 22, 2001. Omitted. The sixteenth amendment was made on May 31, 2016.	The Articles of Incorporation were established on October 22, 2001. Omitted. The eighteenth amendment was made on May 29, 2018. The nineteenth amendment was made on May 29, 2019.	Addition of amendment date and sequence.

(Attachment 5)

Comparison Table of the " Procedures for the Acquisition or Disposal of Assets " of Brogent Technologies Inc. before and after Revision

Article Number	Before Revision	After Revision	Description
Article 3	Scope of Assets I. Securities: Including investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depository receipts, call (put) warrants, beneficial interest securities, and asset-backed securities. II. Real estate (including land, houses and buildings, investment property~~, and land use rights~~) and equipment. III. Memberships. IV. Intangible assets: Including patents, copyrights, trademarks, franchise rights, and other intangible assets. V. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables). VI. Derivatives. VII. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with the law. VIII. Other major assets.	Scope of Assets I. Securities: Including investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depository receipts, call (put) warrants, beneficial interest securities, and asset-backed securities. II. Real estate (including land, houses and buildings, and investment property) and equipment. III. Memberships. IV. Intangible assets: Including patents, copyrights, trademarks, franchise rights, and other intangible assets. V. Right-of-use assets. VI. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables). VII. Derivatives. VIII. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with the law. IX. Other major assets.	Revised in accordance with amendment in laws and regulations.
Article 4	Terms and Definitions I. Derivatives: Refer to forward contracts, options contracts, futures contracts, leverage contracts, and swap contracts, and compound contracts combining the above products, whose value is derived from assets, interest rates, foreign exchange rates, indexes or other interests. The term "forward contracts" does	Terms and Definitions I. Derivatives: Refer to forward contracts, options contracts, futures contracts, leverage contracts, and swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rates, price or fee rate, indexes, credit rating, credit indexes, or other	Revised in accordance with amendment in laws and regulations.

	not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) agreements. II. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other laws, or the transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Paragraph 8, Article 156 of the Company Act. III. Related party or subsidiary: As defined in the provisions of the Regulations Governing the Preparation of Financial Reports by Securities Issuers. IV. Professional appraiser: Refers to a real estate appraiser or other person duly authorized by law to engage in the value appraisal of real estate and equipment. V. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment execution, date of transfer, dates of Board of Directors resolutions, or other date that can confirm the counterparty and monetary amount of the transaction, whichever date is earlier. However, for investments for which approval of the	variables; hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts. II. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other laws, or the transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Article 156-3 of the Company Act. III. Related party or subsidiary: As defined in the provisions of the Regulations Governing the Preparation of Financial Reports by Securities Issuers. IV. Professional appraiser: Refers to a real estate appraiser or other person duly authorized by law to engage in the value appraisal of real estate and equipment. V. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment execution, date of transfer, dates of Board of Directors resolutions, or other date that can confirm the	

	competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply. VI. Investment in the Mainland China region: Refers to investments in the Mainland China region approved by the Investment Commission, Ministry of Economic Affairs or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.	counterparty and monetary amount of the transaction, whichever date is earlier. However, for investments for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply. VI. Investment in the Mainland China region: Refers to investments in the Mainland China region approved by the Investment Commission, Ministry of Economic Affairs or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.	
Article 6	Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall not be a related party of any party to the transaction.	Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following criteria: I. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this	Revised in accordance with amendment in laws and regulations.

		provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received. II. May not be a related party or de facto related party of any party to the transaction. III. If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following: I. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. II. When examining a case, they shall appropriately plan and execute adequate working procedures in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case's working papers. III. They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the	

		parameters, and the information as the basis for issuance of the appraisal report or the opinion. IV. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, that they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations.	
Subparagraph 3, Paragraph 2, Article 7	(II) 1. The acquisition or disposal of real estate shall take into reference the publicly announced current value, assessed value, and the actual transaction price of nearby real estate to determine transaction conditions and price, which shall be included in an analysis report to be submitted to the Chairperson for approval. The acquisition or disposal may only be implemented following approval in the next Board of Directors meeting. 2. The acquisition or disposal of equipment shall be conducted through one of the following methods: price inquiry, price comparison, price negotiation or tendering. Acquisition or disposal under NT$1 million (inclusive) shall be filed for approval in accordance with the authorization regulations and submitted to the President for approval; acquisition or disposal valued at over NT$1 million may only be implemented following approval from the Chairperson. (III) Total amounts of real estate	(II) 1. The acquisition or disposal of real estate and right-of-use assets thereof shall take into reference the publicly announced current value, assessed value, and the actual transaction price of nearby real estate and right-of-use assets thereof to determine transaction conditions and price, which shall be included in an analysis report to be submitted to the Chairperson for approval. The acquisition or disposal may only be implemented following approval in the next Board of Directors meeting. 2. The acquisition or disposal of equipment shall be conducted through one of the following methods: price inquiry, price comparison, price negotiation or tendering. Acquisition or disposal under NT$1 million (inclusive) shall be filed for approval in accordance with the authorization regulations and submitted to the President for approval; acquisition or disposal valued at over NT$1 million may only be implemented following approval from the	Revised in accordance with amendment in laws and regulations.

	or securities acquired by the Company and each subsidiary for purposes other than business use, and limits on individual securities investments shall be subject to the following restrictions: 1. Total amount of real estate for purposes other than business use may not exceed thirty percent (30%) of the net value of the Company's most recent financial statements. 2. Total amount of securities may not exceed forty percent (40%) of the net value of the Company's most recent financial statements. 3. The maximum amount of individual securities may not exceed thirty percent (30%) of the net value of the Company's most recent financial statements.	Chairperson. (III) Total amounts of real estate and right-of-use assets thereof or securities acquired by the Company and each subsidiary for purposes other than business use and limits on individual securities investments shall be subject to the following restrictions: 1. Total amount of real estate for purposes other than business use may not exceed thirty percent (30%) of the net value of the Company's most recent financial statements. 2. Total amount of securities may not exceed forty percent (40%) of the net value of the Company's most recent financial statements. 3. The maximum amount of individual securities may not exceed thirty percent (30%) of the net value of the Company's most recent financial statements.	
Paragraph 4, Article 7	IV. Appraisal report of real estate or equipment In acquiring or disposing of real estate or equipment, where the transaction amount reaches 20 percent (20%) of the Company's paid-in capital or NT$300 million or more, the Company, unless transacting with a government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of machinery or equipment for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions: (I) Where due to special circumstances it is necessary to give a specific market	IV. Appraisal report of real estate or equipment In acquiring or disposing of real estate, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent (20%) of the Company's paid-in capital or NT$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment for business use or right-of-use assets thereof, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions: (I) Where due to special circumstances it is necessary	Revised in accordance with amendment in laws and regulations.

	value or specified market value as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors, and the same procedure shall apply to any future changes to the terms and conditions of the transaction. (II) Where the transaction amount is NT$1 billion or more, appraisals from two or more professional appraisers shall be obtained. (III) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statements on Auditing Standards No. 20 published by the Accounting Research and Development Foundation in Taiwan (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price: 1. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount. 2. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount. (IV) No more than 3 months may	to give a specific market value or specified market value as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors, and the same procedure shall apply when seeking to make any subsequent changes to the terms and conditions of the transaction. (II) Where the transaction amount is NT$1 billion or more, appraisals from two or more professional appraisers shall be obtained. (III) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statements on Auditing Standards No. 20 published by the Accounting Research and Development Foundation in Taiwan (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price: 1. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount. 2. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the	

	elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date. However, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.	transaction amount. (IV) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date. However, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.	
Paragraph 6, Article 7	VI. Expert Opinion Report on Memberships or Intangible Assets Where the Company acquires or disposes of memberships or intangible assets and the transaction amount reaches 20 percent (20%) or more of the Company's paid-in capital or NT$300 million or more, except in transactions with a government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statements on Auditing Standards No. 20 published by the Accounting Research and Development Foundation in Taiwan (ARDF).	VI. Expert Opinion Report on Memberships or Intangible Assets Where the Company acquires or disposes of intangible assets, right-of-use assets thereof, or memberships and the transaction amount reaches 20 percent or more of the Company's paid-in capital or NT$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statements on Auditing Standards No. 20 published by the Accounting Research and Development Foundation in Taiwan (ARDF).	Revised in accordance with amendment in laws and regulations.
Paragraph 2, Article 8	II. Assessment and Operating Procedures Where the Company acquires or disposes of real estate from or to a related party, or acquires or disposes of assets other than real estate from or to a related party and the transaction amount reaches 20 percent (20%) or more of the Company's paid-in capital, 10 percent (10%) or more of the Company's total assets, or NT$300 million or more, except in trading of government bonds or bonds under repurchase and resale agreements, or subscription or	II. Assessment and Operating Procedures Where the Company acquires or disposes of real estate or right-of-use assets thereof from or to a related party, or acquires or disposes of assets other than real estate or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent (20%) or more of the Company's paid-in capital, 10 percent (10%) or more of the Company's total assets, or NT$300 million or more, except in trading of domestic government bonds or	Revised in accordance with amendment in laws and regulations.

	redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Board of Directors and ratified by the Supervisors: (I) The purpose, necessity and anticipated benefit of the acquisition or disposal of assets ~~and/or real estate~~. (II) The reason for choosing the related party as a trading counterparty. (III) With respect to the acquisition of real estate from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Subparagraphs (1) and (4), Paragraph 3 of this Article. (IV) The date and price at which the related party originally acquired the real estate, the original trading counterparty, and that trading counterparty's relationship to the Company and the related party. (V) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, evaluation of the necessity of the transaction, and reasonableness of fund utilization. (VI) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding Article. (VII) Restrictive covenants and other important stipulations associated with the transaction. The calculation of the "transaction	bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Board of Directors and ratified by the Supervisors: (I) The purpose, necessity and anticipated benefit of the acquisition or disposal of assets. (II) The reason for choosing the related party as a trading counterparty. (III) With respect to the acquisition of real estate or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Subparagraphs (1) and (4), Paragraph 3 of this Article. (IV) The date and price at which the related party originally acquired the real estate, the original trading counterparty, and that trading counterparty's relationship to the Company and the related party. (V) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, evaluation of the necessity of the transaction, and reasonableness of fund utilization. (VI) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding Article. (VII) Restrictive covenants and other important stipulations associated with the	

	amount" referred to in the preceding paragraph shall be made in accordance with Paragraph 1, Article 11 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Board of Directors and ratified by the Supervisors in accordance with the provisions of the Standards need not be counted toward the transaction amount. With respect to the acquisition or disposal of equipment for business use between the Company and its subsidiaries, the Company's Board of Directors may, pursuant to Subparagraph 2, Paragraph 2, Article 7, delegate the Chairperson of the Board to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and retroactively ratified by the next Board of Directors meeting.	transaction. The calculation of the "transaction amount" referred to in the preceding paragraph shall be made in accordance with Paragraph 1, Article 11 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Board of Directors and ratified by the Supervisors in accordance with the provisions of the Standards need not be counted toward the transaction amount. With respect to the types of transactions listed below, when conducted between the Company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent (100%) of the issued shares or authorized capital, the Company's Board of Directors may, pursuant to Subparagraph 2, Paragraph 2, Article 7, delegate the Chairperson of the Board to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting. (I) Acquisition or disposal of equipment or right-of-use assets thereof held for business use. (II) Acquisition or disposal of real estate right-of-use assets held for business use.	
Paragraph 3, Article 8	III. Appraisal of the reasonableness of the transaction price (I) When the Company acquires real estate from a related party, it shall evaluate the reasonableness of the transaction costs by the following means: 1. Based upon the related party's transaction price plus necessary interest on funding	III. Appraisal of the reasonableness of the transaction price (I) When the Company acquires real estate or right-of-use assets thereof from a related party, it shall evaluate the reasonableness of the transaction costs by the following means: 1. Based upon the related party's transaction price plus	Revised in accordance with amendment in laws and regulations.

	and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the Company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance. 2. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the trading counterparties. (II) Where land and buildings thereupon are combined as a single property purchased in one transaction, the transaction costs for the land and the buildings may be separately appraised in accordance with either of the means listed in the preceding paragraph. (III) When the Company acquires real estate from a related party and appraises the cost of the real estate in accordance with Subparagraphs (1) and (2), Paragraph 3 of this Article, it shall also engage a CPA to review the appraisal and render a specific opinion.	necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the Company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance. 2. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the trading counterparties. (II) Where land and buildings thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the buildings may be separately appraised in accordance with either of the means listed in the preceding paragraph. (III) When the Company acquires real estate or right-of-use assets thereof from a related party and appraises the cost of the real estate or right-of-use assets thereof in accordance with Subparagraphs (1) and (2), Paragraph 3 of this Article, it shall also engage a CPA to review the appraisal	

		and render a specific opinion.	
	(IV) Where the Company acquires real estate from a related party and one of the following circumstances exists, the acquisition shall only be required for implementation in accordance with Paragraphs 1 and 2 of this Article regarding appraisal and operating procedures, and the regulations on the reasonableness of the transaction cost provided in Subparagraphs (1), (2), and (3), Paragraph 3 shall not apply:	(IV) Where the Company acquires real estate from a related party and one of the following circumstances exists, the acquisition shall only be required for implementation in accordance with Paragraphs 1 and 2 of this Article regarding appraisal and operating procedures, and the regulations on the reasonableness of the transaction cost provided in Subparagraphs (1), (2), and (3), Paragraph 3 shall not apply:	
	1. The related party acquired the real estate through inheritance or as a gift.	1. The related party acquired the real estate or right-of-use assets thereof through inheritance or as a gift.	
	2. More than 5 years will have elapsed from the time the related party signed the contract to obtain the real estate to the signing date for the current transaction.	2. More than 5 years will have elapsed from the time the related party signed the contract to obtain the real estate or right-of-use assets thereof to the signing date for the current transaction.	
	3. The real estate is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real estate, either on the Company's own land or on rented land.	3. The real estate is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real estate, either on the Company's own land or on rented land.	
		4. The real estate right-of-use assets for business use are acquired by a public company from its parent or subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.	
	(V) When the Company acquires real estate from a related party and appraises the cost of the real estate in accordance with Subparagraphs (1) and (2), Paragraph 3 of this Article, and the results are uniformly lower than the transaction price, the matter shall be handled in compliance with the regulations in Subparagraph (6), Paragraph 3 of this Article. However, where the following circumstances exist, objective	(V) When the Company acquires real estate from a related party and appraises the cost of the real estate in accordance with Subparagraphs (1) and (2), Paragraph 3 of this Article, and the results are uniformly	

	evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real estate appraiser and a CPA, this restriction shall not apply: 1. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions: (1) Where undeveloped land is appraised in accordance with the means in the preceding Article, and buildings according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower. (2) Completed deals by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market practices. ~~(3) Completed leasing transactions by unrelated parties for other floors of the same property from within the preceding year, where the~~	lower than the transaction price, the matter shall be handled in compliance with the regulations in Subparagraph (6), Paragraph 3 of this Article. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real estate appraiser and a CPA, this restriction shall not apply: 1. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions: (1) Where undeveloped land is appraised in accordance with the means in the preceding Article, and buildings according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower. (2) Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or	

	~~transaction terms are similar after calculation of reasonable price discrepancies among floors in accordance with standard property leasing market practices.~~ 2. Where the Company acquires real estate from a related party and provides evidence that the terms of the transaction are similar to the terms of transactions completed for the acquisition of neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year. “Completed deals for neighboring or closely valued parcels of land” in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transaction for “parcels of land of a similar size” in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; “within the preceding year” refers to the year preceding the date of occurrence of the acquisition of the real estate. (VI) When the Company acquires real estate from a related party and appraises the cost of the real estate in accordance with Subparagraphs (1) and (2), Paragraph 3 of this Article, and the results are uniformly lower than the transaction price, the following items shall be carried out. Where	area land prices in accordance with standard property market or leasing practices. 2. Where the Company acquires real estate, or acquires real estate right-of-use assets through leasing from a related party and provides evidence that the terms of the transaction are similar to the terms of completed transactions for the acquisition or leasing of neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year. “Completed transactions for neighboring or closely valued parcels of land” in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transaction for “parcels of land of a similar size” in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; “within the preceding year” refers to the year preceding the date of occurrence of the acquisition of the real estate or right-of-use assets thereof. (VI) When the Company acquires real estate or right-of-use assets thereof from a related party and appraises the cost of the real estate in accordance with Subparagraphs (1) and (2), Paragraph 3 of the	

	the Company uses the equity method to account for its investment in a public company that has set aside a special reserve under the preceding paragraph and may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased at a premium; they have been disposed of; adequate compensation has been made; the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent. 1. The Company shall set aside a special reserve in accordance with Paragraph 1, Article 41 of the Securities and Exchange Act against the difference between the real estate transaction price and the appraised cost, and it may not be distributed or used for capital increase or issuance of bonus shares. Where a public company uses the equity method to account for its investment in another company, then the special reserve called for under Paragraph 1, Article 41 of the Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company. 2. Supervisors shall comply with Article 218 of the Company Act. 3. Actions taken pursuant to Item 1 and Item 2 of the Subparagraph shall be reported to a shareholders meeting, and the details of the	preceding Article, and the results are uniformly lower than the transaction price, the following items shall be carried out. Where the Company uses the equity method to account for its investment in a public company that has set aside a special reserve under the preceding paragraph and may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased at a premium; they have been disposed of; adequate compensation has been made; the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent. 1. The Company shall set aside a special reserve in accordance with Paragraph 1, Article 41 of the Securities and Exchange Act against the difference between the appraised cost and the transaction price of real estate or right-of-use assets thereof, and may not be distributed or used for capital increase or issuance of bonus shares. Where a public company uses the equity method to account for its investment in another company, then the special reserve called for under Paragraph 1, Article 41 of the Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company. 2. Supervisors shall comply with Article 218 of the Company Act.	

	transaction shall be disclosed in the annual report and any investment prospectus. (VII) When the Company obtains real estate from a related party, it shall also comply with Subparagraph (6), Paragraph 3 of the Article if there is other evidence indicating that the transaction was inconsistent with business practice.	3. Actions taken pursuant to Item 1 and Item 2 of the Subparagraph shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus. (VII) When the Company obtains real estate or right-of-use assets thereof from a related party, it shall also comply with Subparagraph (6), Paragraph 3 of the Article if there is other evidence indicating that the transaction was inconsistent with business practice.	
Paragraph 3, Article 9	III. Internal auditing system Internal auditing personnel shall periodically study the appropriateness of internal control of derivatives transactions and conduct monthly inspections on the compliance of procedures of departments trading derivatives in order to analyze transaction cycles and formulate Audit Reports. In the event of major violations, the Supervisors shall be notified in writing.	III. Internal auditing system Internal auditing personnel shall periodically study the appropriateness of internal control of derivatives transactions and conduct monthly inspections on the compliance of procedures of departments trading derivatives in order to analyze transaction cycles and formulate Audit Reports. In the event of major violations, the Supervisors shall be notified in writing. Where independent directors have been appointed in accordance with the provisions of the Act, for matters for which notice shall be given to the supervisors under the preceding paragraph, written notice shall also be given to the independent directors. Where an Audit Committee has been established in accordance with the provisions of the Act, the provisions of Paragraph 2 relating to supervisors shall apply mutatis mutandis to the Audit Committee.	Revised in accordance with amendment in laws and regulations.
Paragraph 1, Article 11	I. If the following conditions occur in the Company's acquisition or disposal of assets, related information shall, in accordance with its	I. If the following conditions occur in the Company's acquisition or disposal of assets, related information shall, in accordance with its	Revised in accordance with amendment in laws and

	nature and prescribed format, be input into the Market Observation Post System (MOPS) within two days of the occurrence of the fact: (I) Where the Company acquires or disposes of real estate from or to a related party, or acquires or disposes of assets other than real estate from or to a related party and the transaction amount reaches 20 percent (20%) or more of the Company's paid-in capital, 10 percent (10%) or more of the Company's total assets, or NT$300 million or more. This, however, shall not apply to trading of government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. (II) Merger, demerger, acquisition, or transfer of shares. (III) Derivative transactions that accumulate losses beyond the portfolio limits or individual limits specified in the Company's procedures. (IV) Where the ~~type of asset~~ consists in equipment for business use and is acquired or disposed, the trading counterparty is not a related party, and the transaction amount fulfills one of the following conditions: 1. Where the Company's paid-in capital is less than NT$10 billion and the transaction amount is more than NT$500 million. 2. Where the Company's paid-in capital is more than NT$10 billion and the transaction amount is more than NT$1 billion.	nature and prescribed format, be input into the Market Observation Post System (MOPS) within two days of the occurrence of the fact: (I) Where the Company acquires or disposes of real estate or right-of-use assets thereof from or to a related party, or acquires or disposes of assets other than real estate or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent (20%) or more of the Company's paid-in capital, 10 percent (10%) or more of the Company's total assets, or NT$300 million or more. This however shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. (II) Merger, demerger, acquisition, or transfer of shares. (III) Derivative transactions that accumulate losses beyond the portfolio limits or individual limits specified in the Company's procedures. (IV) Where equipment for business use or right-of-use assets thereof are acquired or disposed, the trading counterparty is not a related party, and the transaction amount fulfills one of the following conditions: 1. Where the Company's paid-in capital is less than NT$10 billion and the transaction amount is more than NT$500 million. 2. Where the Company's paid-in capital is more than NT$10	regulations.

	(V) Where the type of asset acquired or disposed by a public company that engages in the construction business consists in real estate for construction use, the trading counterparty is not a related party, and the transaction amount is more than NT$500 million. (VI) Where real estate is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the amount the Company expects to invest in the transaction is more than NT$500 million. (VII) Asset transactions other than those referred to in the preceding six subparagraphs, disposal of claims by a financial institution, or an investment in the Mainland China region, where such transaction reaches 20 percent (20%) or more of the Company's paid-in capital or NT$300 million. The above shall however not apply to the following circumstances: 1. Trading of government bonds. 2. Securities trading through professional investment on ~~foreign or domestic~~ securities exchanges or places of business of securities firms, subscription and issuance of regular corporate bonds on the ~~domestic~~ primary market and regular financial bonds that do not involve shareholding rights, or	billion and the transaction amount is more than NT$1 billion. (V) Acquisition or disposal by a public company that engages in the construction business of real property or right-of-use assets thereof for construction use, the trading counterparty is not a related party, and the transaction amount is more than NT$500 million; and among such cases, where a public company has paid-in capital of NT$10 billion or more and is disposing of real property from a completed construction project that it constructed itself, the trading counterparty is not a related party, and the transaction amount is more than NT$1 billion. (VI) Where real estate is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, the trading counterparty is not a related party, and the amount the Company expects to invest in the transaction is more than NT$500 million. (VII) Asset transactions other than those referred to in the preceding six subparagraphs, disposal of claims by a financial institution, or an investment in the Mainland China region, where such transaction reaches 20 percent (20%) or more of the Company's paid-in capital or NT$300 million. The above shall however not apply to the	

	subscription of securities required by the Taipei Exchange due to the underwriting business requirements of a securities firm or from an advisory recommending securities firm of emerging companies. 3. Trade of bonds under repurchase and resale agreements, or subscription or repurchase of money market funds issued by domestic securities investment trust enterprises. The transaction amount in the preceding paragraph shall be calculated in accordance with the following: 1. The amount of each individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within a year. 3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real estate under the same development project within a year. 4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within a year. "Within a year" as mentioned above shall refer to the one year dating back from the date of occurrence of the current transaction. Amounts that have already been announced in accordance with the Procedures may be excluded.	following circumstances: 1. Trading of domestic government bonds. 2. Securities trading by investment professionals on securities exchanges or places of business of securities firms, subscription and issuance of regular corporate bonds on the primary market and regular financial bonds (excluding subordinated debentures) that do not involve shareholding rights, subscription or redemption of securities investment trust funds or futures trust funds, or subscription of securities required by the Taipei Exchange due to the underwriting business requirements of a securities firm or from an advisory recommending securities firm of emerging companies. 3. Trade of bonds under repurchase and resale agreements, or subscription or repurchase of money market funds issued by domestic securities investment trust enterprises. The transaction amount in the preceding paragraph shall be calculated in accordance with the following: 1. The amount of each individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within a year. 3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real estate or right-of-use assets thereof under the same development	

		project within a year. 4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within a year. "Within a year" as mentioned above shall refer to the one year dating back from the date of occurrence of the current transaction. Amounts that have already been announced in accordance with the Procedures may be excluded.	
Paragraph 5, Article 12	V. The Company's paid-in capital or total assets of the Company shall be the standard for determining whether or not a transaction of a subsidiary referred to in the requirement that a public announcement and regulatory filing reaches "~~20 percent (20%) of the Company's~~ paid-in capital or ~~10 percent (10%) of~~ total assets".	V. The Company's paid-in capital or total assets shall be the standard for determining whether or not a transaction of a subsidiary referred to in the requirement of a public announcement and regulatory filing reaches "paid-in capital or total assets".	Revised in accordance with amendment in laws and regulations.

(Attachment 6)

Comparison Table of the Handling Procedures for Loaning Funds of Brogent Technologies Inc. before and after Revision

Article Number	Before Revision	After Revision	Description
Article 2	Entities to which funds are loaned. In accordance with Article 15 of the Company Act, the Company may not loan funds to shareholders or any other persons (hereinafter referred to as "borrowers") except under the following circumstances: I. Where an inter-company or inter-firm business transaction calls for a loan arrangement. II. Where an inter-company or inter-firm short-term financing facility is necessary, provided that such financing amount shall not exceed 40 percent (40%) of the Company's net worth as stated in its latest financial statement. The term "short-term" as used herein means one year, or where the Company's operating cycle exceeds one year, one operating cycle. The term "financing amount" as used herein means the cumulative balance of the Company's short-term financing. The restriction in Subparagraph 2, Paragraph 1 shall not apply to inter-company loans of funds between foreign companies in which the Company holds, directly or indirectly, 100 percent (100%) of the voting shares. However, the provisions of Article 4 and Article 5 concerning the setting of the amount limits and the durations of loans shall still apply.	Entities to which funds are loaned. In accordance with Article 15 of the Company Act, the Company may not loan funds to shareholders or any other persons (hereinafter referred to as "borrowers") except under the following circumstances: I. Where an inter-company or inter-firm business transaction calls for a loan arrangement. II. Where an inter-company or inter-firm short-term financing facility is necessary, provided that such financing amount shall not exceed 40 percent (40%) of the Company's net worth as stated in its latest financial statement. The term "short-term" as used herein means one year, or where the Company's operating cycle exceeds one year, one operating cycle. The term "financing amount" as used herein means the cumulative balance of the Company's short-term financing. The restriction in Subparagraph 2, Paragraph 1, shall not apply to inter-company loans of funds between foreign companies in which the Company holds, directly or indirectly, 100 percent (100%) of the voting shares, or loans of a foreign company in which the public company holds, directly or indirectly, 100 percent (100%) of the voting shares to said public company. However, the provisions of Article 4 and Article 5 concerning the setting of the amount limits and the durations of loans shall still apply. The responsible person of the Company who has violated the	Revised in accordance with amendment in laws and regulations.

		provisions of the Paragraph 1 shall be liable, jointly with the borrower, for the repayment of the loan issued, and for damage compensations to the Company that resulted therefrom, if any.	
Article 9	Subsequent measures for control and management of loans, and procedures for handling delinquent creditor's rights. I. After a loan is extended, the Company shall pay attention to the financial, business, and relevant credit status of the borrower and guarantor. Where collateral is provided, the Company shall also notice whether there are changes in the value of collateral. A report on significant change in the aforesaid conditions shall be immediately submitted to the President, and appropriate disposals shall be made in accordance with the President's instructions. II. Where the borrower repays the loan upon or before the loan is due, accrued interests shall be calculated first. After the borrower pays off said interests along with the principal, the Company may cancel or return promissory notes and/or the loan, or conduct the release of lien. III. Where the loan is due and the creditor's rights cannot be recovered after debt collection, and the Company still cannot recover its creditor's rights after making necessary notices, it shall seek legal actions to perform measures to safeguard creditor's rights so as to ensure the Company's rights and interests. IV. Where as a result of change of conditions the entity to which funds are loaned no longer meets the requirements of the	Subsequent measures for control and management of loans, and procedures for handling delinquent creditor's rights. I. After a loan is extended, the Company shall pay attention to the financial, business, and relevant credit status of the borrower and guarantor. Where collateral is provided, the Company shall also notice whether there are changes in the value of collateral. A report on significant change in the aforesaid conditions shall be immediately submitted to the President, and appropriate disposals shall be made in accordance with the President's instructions. II. Where the borrower repays the loan upon or before the loan is due, accrued interests shall be calculated first. After the borrower pays off said interests along with the principal, the Company may cancel or return promissory notes and/or the loan, or conduct the release of lien. III. Where the loan is due and the creditor's rights cannot be recovered after debt collection, and the Company still cannot recover its creditor's rights after making necessary notices, it shall seek legal actions to perform measures to safeguard creditor's rights so as to ensure the Company's rights and interests. IV. Where as a result of changes of condition the entity to which a fund is loaned no longer meets the requirements of the	Revised in accordance with amendment in laws and regulations.

	Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, or the balance of the loan exceeds the limit, the Company shall adopt rectification plans and submit the rectification plans to all the supervisors, and shall complete the rectification according to the time frame set out in the plan.	Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, or the balance of the loan exceeds the limit, the Company shall adopt rectification plans and submit the rectification plans to all the supervisors and independent directors, and shall complete the rectification according to the time frame set out in the plan.	
Article 10	Audit procedures The Audit Dept. shall audit the Handling Procedures for Loaning Funds and the implementation thereof no less frequently than quarterly and prepare written records accordingly. It shall promptly notify all supervisors in writing of any material violation found.	Audit procedures The Audit Dept. shall audit the Handling Procedures for Loaning Funds and the implementation thereof no less frequently than quarterly and prepare written records accordingly. It shall promptly notify all supervisors and independent directors in writing of any material violation found.	Revised in accordance with amendment in laws and regulations.
Article 12	Disclosure of information I. The Company shall announce and report the previous month's balance of loans of itself and its subsidiaries by the 10th day of each month. II. The Company whose balance of loans reaches one of the following levels shall announce and report such event within two days commencing immediately from the date of occurrence: (I) The aggregate balance of loans of the Company and its subsidiaries reaches 20 percent (20%) or more of the Company's net worth as stated in its latest financial statement. (II) The balance of loans of the Company and its subsidiaries to a single enterprise reaches 10 percent (10%) or more of the Company's net worth as stated in its latest financial statement. (III) The amount of new loans	Disclosure of information I. The Company shall announce and report the previous month's balance of loans of itself and its subsidiaries by the 10th day of each month. II. The Company whose balance of loans reaches one of the following levels shall announce and report such event within two days commencing immediately from the date of occurrence: (I) The aggregate balance of loans of the Company and its subsidiaries reaches 20 percent (20%) or more of the Company's net worth as stated in its latest financial statement. (II) The balance of loans of the Company and its subsidiaries to a single enterprise reaches 10 percent (10%) or more of the Company's net worth as stated in its latest financial statement. (III) The amount of new loans	Revised in accordance with amendment in laws and regulations.

	made by the Company or its subsidiaries reaches NT$10 million or more, and reaches 2 percent (2%) or more of the Company's net worth as stated in its latest financial statement. III. The Company shall announce and report, on behalf of any subsidiary that is not a public company of the Republic of China, any matters that such subsidiary is required to announce and report pursuant to Subparagraph 3 of the preceding paragraph. IV. The Company shall evaluate the status of its loans of funds and reserve sufficient allowance for bad debts; the Company shall also adequately disclose relevant information in its financial reports and provide certified public accountants with relevant information for implementation of necessary auditing procedures. V. "Date of occurrence" as used herein means the date of ~~transaction~~ contract signing, date of payment, dates of Boards of Directors' resolutions, or other date that can confirm the counterparty and monetary amount of the ~~transaction~~, whichever date is earlier.	made by the Company or its subsidiaries reaches NT$10 million or more, and reaches 2 percent (2%) or more of the Company's net worth as stated in its latest financial statement. III. The Company shall announce and report, on behalf of any subsidiary that is not a public company of the Republic of China, any matters that such subsidiary is required to announce and report pursuant to Subparagraph 3 of the preceding paragraph. IV. The Company shall evaluate the status of its loans of funds and reserve sufficient allowance for bad debts; the Company shall also adequately disclose relevant information in its financial reports and provide certified public accountants with relevant information for implementation of necessary auditing procedures. V. "Date of occurrence" as used herein means the date of signing, date of payment, dates of Boards of Directors' resolutions, or other date that can confirm the counterparty and monetary amount of the loan, whichever date is earlier.	
Article 14	Implementation and revision I. After the Handling Procedures are passed by the Board of Directors, the Company shall submit the same to each supervisor and for approval by the shareholders' meeting. Where any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the	Implementation and revision I. After the Handling Procedures are passed by the Board of Directors, the Company shall submit the same to each supervisor and for approval by the shareholders' meeting. Where any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the	Revised in accordance with amendment in laws and regulations.

	dissenting opinions to each supervisor and for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures. II. Where the Company has established the position of independent director, each independent director's opinions shall be fully taken into consideration; independent directors' opinions specifically expressing assent or dissent, and the reasons for dissent, shall be included in the minutes of the Board of Directors' meeting.	dissenting opinions to each supervisor and for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures. II. Where the Company has established the position of independent director, each independent director's opinions shall be fully taken into consideration; if an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.	

(Attachment 7)

Comparison Table of the Handling Procedures for Making of Endorsements/Guarantees of Brogent Technologies Inc. before and after Revision

Article Number	Before Revision	After Revision	Description
Article 8	Limits on and changes of endorsements/guarantees I. Where the Company needs to exceed the limits set out in Article 4 for endorsements/guarantees to satisfy its business requirements, and where the conditions set out in the Procedures are complied with, it shall obtain approval from the Board of Directors and half or more of the directors shall act as joint guarantors for any loss that may be caused to the Company by the excess endorsement/guarantee. It shall also amend the Rules for Endorsements/Guarantees accordingly and submit the amendments to the shareholders' meeting for ratification after the fact. If the shareholders' meeting does not give consent, the Company shall adopt a plan to discharge the amount in excess within a given time limit. In addition, independent directors' opinions shall be fully taken into consideration and said opinions specifically expressing assent or dissent, and the reasons for dissent, shall be included in the minutes of the Board of Directors' meeting. II. Where as a result of change of conditions the counterparty for which the endorsement/guarantee is made no longer meets the requirements of the Regulations Governing Loaning of Funds and Making of	Limits on and changes of endorsements/guarantees I. Where the Company needs to exceed the limits set out in Article 4 for endorsements/guarantees to satisfy its business requirements, and where the conditions set out in the Procedures are complied with, it shall obtain approval from the Board of Directors and half or more of the directors shall act as joint guarantors for any loss that may be caused to the Company by the excess endorsement/guarantee. It shall also amend the Rules for Endorsements/Guarantees accordingly and submit the amendments to the shareholders' meeting for ratification after the fact. If the shareholders' meeting does not give consent, the Company shall adopt a plan to discharge the amount in excess within a given time limit. In addition, independent directors' opinions shall be fully taken into consideration and said opinions specifically expressing assent or dissent, and the reasons for dissent, shall be included in the minutes of the Board of Directors' meeting. II. Where as a result of change of conditions the counterparty for which an endorsement/guarantee is made no longer meets the requirements of the Regulations Governing Loaning of Funds and Making of	Revised in accordance with amendment in laws and regulations.

	Endorsements/Guarantees by Public Companies, or the amount of endorsement/guarantee exceeds the limit, the Company shall adopt rectification plans and submit the rectification plans to all the supervisors, and shall complete the rectification according to the time frame set out in the plan.	Endorsements/Guarantees by Public Companies, or the amount of endorsement/guarantee exceeds the limit, the Company shall adopt rectification plans and submit the rectification plans to all the supervisors and independent directors, and shall complete the rectification according to the time frame set out in the plan	
Article 9	Disclosure of information I. The Company shall announce and report the previous month's balance of endorsements/guarantees of itself and its subsidiaries by the 10th day of each month. II. The company whose balance of endorsements/guarantees reaches one of the following levels shall announce and report such event within two days commencing immediately from the date of occurrence: (I) The aggregate balance of endorsements/guarantees by the Company and its subsidiaries reaches 50 percent (50%) or more of the Company's net worth as stated in its latest financial statement. (II) The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches 20 percent (20%) or more of the Company's net worth as stated in its latest financial statement. (III) The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches NT$10 million or more and the aggregate amount of all endorsements/guarantees for, investment of a long-term nature in, and balance of loans to, such enterprise reaches 30 percent (30%) or more of	Disclosure of information I. The Company shall announce and report the previous month's balance of endorsements/guarantees of itself and its subsidiaries by the 10th day of each month. II. The company whose balance of endorsements/guarantees reaches one of the following levels shall announce and report such event within two days commencing immediately from the date of occurrence: (I) The aggregate balance of endorsements/guarantees by the Company and its subsidiaries reaches 50 percent (50%) or more of the Company's net worth as stated in its latest financial statement. (II) The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches 20 percent (20%) or more of the Company's net worth as stated in its latest financial statement. (III) The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches NT$10 million or more and the aggregate amount of all endorsements/guarantees for, carrying amount of investment accounted for using the equity method in, and balance of lending to, such enterprise	Revised in accordance with amendment in laws and regulations.

	Company's net worth as stated in its latest financial statement. (IV) The amount of new endorsements/guarantees made by the Company or its subsidiaries reaches NT$30 million or more, and reaches 5 percent (5%) or more of the Company's net worth as stated in its latest financial statement. III. The Company shall announce and report, on behalf of any subsidiary thereof that is not a public company of the Republic of China, any matters that such subsidiary is required to announce and report pursuant to Subparagraph 4 of the preceding paragraph. IV. The Company shall evaluate or record the contingent loss for endorsements/guarantees, and shall adequately disclose information on endorsements/guarantees in its financial reports and provide certified public accountants with relevant information for implementation of necessary audit procedures and issuance of appropriate audit reports. V. "Date of occurrence" as used herein means the date of ~~transaction~~ contract signing, date of payment, dates of Boards of Directors' resolutions, or other date that can confirm the counterparty and monetary amount of the ~~transaction~~, whichever date is earlier.	reaches 30 percent (30%) or more of Company's net worth as stated in its latest financial statement. (IV) The amount of new endorsements/guarantees made by the Company or its subsidiaries reaches NT$30 million or more, and reaches 5 percent (5%) or more of the Company's net worth as stated in its latest financial statement. III. The Company shall announce and report, on behalf of any subsidiary thereof that is not a public company of the Republic of China, any matters that such subsidiary is required to announce and report pursuant to Subparagraph 4 of the preceding paragraph. IV. The Company shall evaluate or record the contingent loss for endorsements/guarantees, and shall adequately disclose information on endorsements/guarantees in its financial reports and provide certified public accountants with relevant information for implementation of necessary audit procedures and issuance of appropriate audit reports. V. "Date of occurrence" as used herein means the date of signing, date of payment, dates of Boards of Directors resolutions, or other date that can confirm the counterparty and monetary amount, whichever date is earlier.	
Article 11	Audit procedures The Company's internal auditors shall audit the operational procedures for endorsements/guarantees, and the implementation thereof, no less frequently than quarterly and must	Audit procedures The Company's internal auditors shall audit the operational procedures for endorsements/guarantees and the implementation thereof no less frequently than quarterly and	Revised in accordance with amendment in laws and regulations.

	prepare written records accordingly. They shall promptly notify all supervisors in writing of any material violation found.	prepare written records accordingly. They shall promptly notify all supervisors and independent directors in writing of any material violation found.	
Article 13	Implementation and revision I. After the Handling Procedures are passed by the Board of Directors, the Company shall submit said Procedures to each supervisor and for approval by the shareholders' meeting. Where any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the dissenting opinions to each supervisor and for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures. II. Where the Company has established the position of independent director, each independent director's opinions shall be fully taken into consideration; the independent directors' opinions specifically expressing assent or dissent, and the reasons for dissent, shall be included in the minutes of the Board of Directors' meeting.	Implementation and revision I. After the Handling Procedures are passed by the Board of Directors, the Company shall submit said Procedures to each supervisor and for approval by the shareholders' meeting. Where any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the dissenting opinions to each supervisor and for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures. II. Where the Company has established the position of independent director, each independent director's opinions shall be fully taken into consideration; if an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.	Revised in accordance with amendment in laws and regulations.