

**91APP, Inc.**

Enacted by: Accounting Division	<b>Management procedures for the prevention of insider trading</b>	Date : 2019/07/18
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**Chapter 1: General principles****Article 1 (The purpose of this operating procedure)**

In lieu of the fact that certain members (insiders) of listed companies may have unknowingly acted inappropriately, or deliberately violated insider trading regulations (perhaps unfamiliar with those pertinent laws and regulations of governance), which has resulted in the listed company or those members (insiders) to seek litigation, thereby causing serious damage to the reputation of the company, its reputation here and abroad and all its assets, this operating procedure is updated in accordance with the law; the aim of which is to assist the company. The internal control system shall serve as the first line of defense to reduce the unintentional or deliberate harmful incentives of insiders, and establish a good and viable mechanism for the processing, disclosure, and dissemination of information, such that the company shall avoid improper and unauthorized circulation and distribution of company information; to ensure the integrity of the company, and consistency of the company's information published both here and abroad. The report, as follows, shall clearly outline operating procedures relating to the processing of inside and sensitive information, in accordance and agreement with pertinent laws and regulations.

**Article 2 (The processing of material inside information shall be carried out according to laws and regulations and this operating procedure)**

This Corporation shall implement its handling and disclosure of material inside information in accordance with applicable laws and regulations, the rules and regulations of the TSWE, and these Procedures.

**Article 3 (Scope of application)**

These Procedures shall apply to all directors, supervisors, managerial officers, and employees of this Corporation. This Corporation shall ensure that any other person who acquires knowledge of this Corporation's material inside information due to their position, profession, or relationship of control shall comply with the applicable provisions of these Procedures.

At the same time, the company should establish and maintain internal personnel and shareholder information files that hold more than 10% of the shares.

**Article 4 (Scope of material inside information)**

For the purposes of these Procedures, the term "material inside information" refers to information that, with reference to the Securities and Exchange Act, other

applicable laws and regulations, and the applicable rules and regulations of the Taiwan Stock Exchange Corporation.

**Article 5 (Responsible unit in charge of the handing of material inside information)**

The general manager office of the Company shall establish a unit charged with handling material inside information. The unit shall have the following functions and authorities:

1. Responsibility for formulating the drafts of these Procedures and any amendments to them.
2. Responsibility for receiving inquiries in connection with the methods of handling material inside information, and for consultation, review, and recommendations relating to these Procedures.
3. Responsibility for receiving reports on unauthorized disclosures of material inside information and formulation of corresponding measures.
4. Responsibility for designing a system for preserving all documents, files, electronic records, and other materials related to these Procedures.
5. Other activities related to these Procedures.

**Chapter 2: The procedures for the confidentiality of material inside information and prohibition of buying and selling when it is informed of news that has a significant impact on the stock prices**

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**Article 6 (Confidentiality firewall operations - Personnel)**

This Corporation's directors, managerial officers, and employees shall exercise the due care and fiduciary duty of a good administrator and act in good faith when performing their duties and shall sign confidentiality agreements. No director, managerial officer, or employee with knowledge of material inside information of this Corporation may divulge the information to others. No director, managerial officer, or employee of this Corporation may inquire about or collect any non-public material inside information of this Corporation not related to their individual duties from a person with knowledge of such information, nor may they disclose to others any non-public material inside information of this Corporation of which they become aware for reasons other than the performance of their duties.

**Article 7 (Confidentiality firewall operations – Documents and information)**

Proper protection of confidentiality shall be given to files and documents containing this Corporation's material inside information when transmitted in written form. When transmitted by e-mail or other electronic means, such files and documents must be processed with appropriate security technology such as encryption or electronic signatures. Files and documents containing this Corporation's material inside information shall be backed up and stored in a secure location.

**Article 8 (Operation of confidentiality firewalls)**

This Corporation shall ensure that the firewalls specified in the preceding two articles are established, and take the following additional steps:

1. Adopt adequate control measures for the firewalls and perform periodic testing.
2. Enhance measures for custody and maintaining the secrecy of files and documents containing non-public material inside information of this Corporation.

**Article 9 (Confidentiality obligations of external institutions and personnel)**

Any organization or person outside of this Corporation that is involved in any corporate action of this Corporation relating to a merger or acquisition, major memorandum of understanding, strategic alliance, other business partnership plans, or the signing of a major contract shall be required to sign a confidentiality agreement and may not disclose to another party any material inside information of this Corporation's thus acquired.

**Article 10 (Prohibition of buying and selling when it is informed of news that has a significant impact on the stock prices)**

The regulations governing the prohibition of the company's directors, managers and employees from buying or selling the company's stocks or equity securities are based on the provisions of Article 157-1 of the Securities Exchange Act and related letters and orders. Chapter III Processing Procedures for Disclosure of Important Internal Information.

**Chapter 3 Processing procedures for disclosure of material inside information****Article 11 (Principles of disclosure of material inside information)**

This Corporation shall comply with the following principles when making external disclosures of material inside information:

1. The information disclosed shall be accurate, complete, and timely.
2. There shall be a well-founded basis for the information disclosure.
3. The information shall be disclosed fairly.

**Article 12 (Implementation of the spokesperson system)**

Any disclosure of this Corporation's material inside information, except as otherwise provided by law or regulation, shall be made by this Corporation's spokesperson, or by a deputy spokesperson acting in such capacity in a confirmed sequential order. When necessary, the disclosure may be made directly by a responsible person of this Corporation. This Corporation's spokesperson or deputy spokesperson shall communicate to outside parties only information within the scope authorized by this Corporation, and no personnel of this Corporation other than those serving as this Corporation's responsible person, spokesperson, or deputy spokesperson may disclose any material inside information of this Corporation to outside parties without authorization.

**Article 13 (Record of disclosure of material inside information)**

This Corporation shall keep records of the following on the Market Observation Post System (MOPS) in respect to any disclosure of public information to outside parties:

1. The person who discloses the information, the date, and the time.
2. How the information is disclosed.
3. What information is disclosed.
4. What written material is delivered.
5. Any other relevant details.

**Article 14 (Response to false media coverage)**

If a media agency releases information that is in any respect inconsistent with material information disclosed by this Corporation, this Corporation shall promptly issue a clarification on the Market Observation Post System (MOPS) and request the media agency to correct the information.

**Chapter 4 Handling of unusual events****Article 15 (Reporting of unusual events)**

Any director, managerial officer, or employee of this Corporation that becomes aware of any unauthorized disclosure of this Corporation's material inside information shall report to the responsible unit and the internal audit department of this Corporation as soon as practicable.

Upon receipt of a report made pursuant to the preceding paragraph, the responsible unit shall formulate corresponding measures. When necessary, it may invite members from the internal audit and other departments to meet for discussion of the measures and shall keep a record of the results of the measures for future reference. The internal auditors shall also perform such audits as their duties may require.

**Article 16 (Disciplinary measures)**

If the directors, managers officer, or employee of this Corporation have one of following circumstance, the company shall take measures to discover those responsible and take appropriate legal action against any personnel:

1. Personnel of this Corporation disclose material inside information without authorization to any outside party, or otherwise violate these Procedures or any other applicable law or regulation.
2. A spokesperson or deputy spokesperson of this Corporation communicates to any outside party any information beyond the scope authorized by this Corporation, or otherwise violates these Procedures or any other applicable law or regulation. If any person outside this Corporation divulges any material inside information of this Corporation, thereby causing damage to any property or interest of this Corporation, this Corporation shall pursue appropriate measures to hold the person divulging the information legally liable.

## **Chapter 5 Internal control operations and internal education promotion**

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### **Article 17 (Internal controls)**

These Procedures shall be incorporated into this Corporation's internal control system. The internal auditors shall keep themselves regularly informed of the status of compliance with these Procedures and shall prepare related audit reports, so as to ensure full implementation of the procedures for handling material inside information.

### **Article 18 (Awareness campaigns)**

Periodically, this Corporation shall conduct educational campaigns to promote awareness among all directors, managerial officers, and employees with respect to these Procedures and related laws and regulations. This Corporation shall also provide educational campaigns to new directors, managerial officers, and employees in a timely manner.

## **Chapter 6 Supplemental Provisions**

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### **Article 19**

These Procedures, and any amendments to them, shall be implemented upon approval by the board of directors.