

Apex International Company Limited

Audit Committee Charter

Article 1

In order to ensure the corporate governance systems, the Audit Committee ("the Committee") and the Audit Committee Charter ("the Charter") were established in pursuant with Article 51A of the Memorandum and Articles of Association of the Company.

Article 2

The relevant matters of the Committee exercises its powers shall be handled in accordance with this Charter. Provided, where another law provides otherwise, the provisions of such law shall prevail.

Article 3

The Committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, and at least one of whom shall have accounting or financial expertise.

The term of the Committee members shall be the same as the term of office of the directors elected during the same period.

Article 4

The resolutions of the Committee shall be approved by one half or more of the entire membership, except as otherwise provided by law, regulation, or the Memorandum and Articles of Association of the Company. "The entire membership," as used herein, shall be counted as the number of members actually in office at the given time.

Article 5

The powers of the Committee are as follows:

- (a) The adoption of or amendments to the internal control system;
- (b) Assessment of the effectiveness of the internal control system;
- (c) The adoption or amendment of the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others;
- (d) Matters in which a director is an interested party;
- (e) Asset transactions or derivatives trading of a material nature;
- (f) Loans of funds, endorsements, or provision of guarantees of a material nature;
- (g) The offering, issuance, or private placement of equity-type securities;
- (h) The hiring or dismissal of a certified public accountant, or their compensation;
- (i) The appointment or discharge of a financial, accounting, or internal audit officer;

- (j) Annual financial reports signed or sealed by the chairman, a manager or an accounting chief, and financial reports for the second quarter audited and attested by a certified public accountant (CPA); and
- (k) Other matters as may be decided at any time by the Company or required by the competent authority.

Article 6

The Committee shall convene at least quarterly. A member shall be elected as the convener by and from the entire membership of the Committee, and the convener shall represent the Committee to the public.

The reasons for calling an audit committee meeting shall be notified to each independent director member at least 7 days in advance. In emergency circumstances, however, this requirement does not apply. The meeting notice of the Committee can be effected by e-mail or fax.

The audit committee meeting shall be held at the location and during the business hours of the Company, or at a place and time convenient to attendance by all audit committee members and suitable for holding an audit committee meeting.

Audit committee meetings are chaired by the convener. When the convener goes on leave or unable to convene a meeting for any reason, the convener shall appoint another independent director member on the Committee as acting convener; if the convener does not make such an appointment, one independent director member of the Committee shall be elected by and from the other independent director members of the Committee to serve as convener.

Independent directors constituting one-half or more of the entire membership of the audit committee may, by filing a written proposal setting forth the subjects for discussions and the reasons, request the convener to convene a meeting of the audit committee. If the convener fails to convene an audit committee meeting within 15 days from the filing of the request under the preceding paragraph, independent directors constituting one-half or more of the entire membership of the audit committee may convene a meeting on their own.

The Committee may by resolution to request the managers of relevant departments, internal auditors, certified public accountants, legal counsels, or other personnel to attend the meeting as non-voting participants and provide pertinent and necessary information; provided, they shall leave the meeting when discussion and voting takes place.

Article 7

When an audit committee meeting is held, the Company shall have an attendance book ready for signature by the independent director members attending the meeting and thereafter keep it available for future reference.

Independent director members shall attend audit committee meetings in person; a member who cannot attend in person may appoint another independent director member to attend as their proxy in writing. Attendance via telecommunications is deemed as attendance in person.

A member of the Committee that appoints another independent director member as proxy to attend a meeting of the Committee shall in each instance issue a written proxy stating the scope of

authorization with respect to the items on the meeting agenda.

Resolutions at audit committee meetings shall be adopted with the approval of one half or more of the entire membership. The result of a vote shall be made known immediately and recorded in writing.

If for a legitimate reason it is impossible to hold an audit committee meeting, matters on the meeting agenda shall be adopted with the consent of two thirds or more of the entire Board of Directors.

Nevertheless, a written opinion indicating approval shall be obtained from each independent director member with respect to the matters under Article 6, subparagraph (j).

The proxy under paragraph 2 may accept a proxy from one person only.

Article 7-1

When the time of a meeting has arrived, if the audit committee members present do not reach one-half of the entire membership, the meeting chair may announce that the meeting time will be postponed to later on the same day, provided that only two postponements may be made. If the quorum is still not met after two postponements, the chair may re-call the meeting following the procedures provided in Article 6, paragraph 2.

Article 7-2

An audit committee meeting shall be conducted in accordance with the order of business on the agenda as specified in the meeting notice. However, the order may be changed with the approval of one-half or more of the entire membership of the audit committee.

The meeting chair may not declare the meeting closed without the approval of one-half or more of the entire membership of the audit committee.

If at any time during the proceedings of an audit committee meeting the members sitting at the meeting do not reach one-half of the entire membership, then upon motion by the independent directors sitting at the meeting, the chair shall declare a suspension of the meeting, in which case the preceding article shall apply mutatis mutandis.

If at any time during the proceedings of an audit committee meeting, the convener for any reason is unable to chair the meeting or the chair fails to declare the meeting closed as provided in paragraph 2, the provisions of Article 6, paragraph 5 shall apply mutatis mutandis to the selection of the deputy to act in place thereof.

Article 8

If an independent director member of the Committee has a personal interest in any agenda item, the director shall explain the essential content of the interest. If the director's personal interest is likely to prejudice the interest of the Company, the director may not participate in discussion and voting, and shall recuse himself or herself from the discussion and voting, and also may not exercise voting rights as a proxy for any other independent director member.

Where the spouse or a blood relative within the second degree of kinship of an independent director is an interested party with respect to an agenda item as described in the preceding paragraph, such independent director shall be deemed to be an interested party with respect to that agenda item.

Where a matter is unable to be resolved at an audit committee meeting for the reason stated in paragraph 1, the fact shall be reported to the Board of Directors and the matter shall be resolved by the Board instead.

Article 9

Discussions at an audit committee meeting shall be included in the meeting minutes, which shall faithfully record the following:

1. The session, time, and place of the meeting.
2. The name of the meeting chair.
3. Attendance by the independent director members, including the names and the number of members present, excused, and absent.
4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The matters reported at the meeting.
7. Agenda items: For each proposal, the method of resolution and the result; a summary of the comments of the independent director members of the Committee and experts and other persons present at the meeting; name of the independent director who is an interested party as referred to in paragraph 1 of the preceding Article, explanation of the material aspects of the interest the director has, the reason why the director should or should not recuse himself or herself and whether or not the director has recused; and any objections or reservations expressed.
8. Extraordinary motions: The name of the mover; the method of resolution and the result for each motion; a summary of the comments of the independent director members of the Committee and experts and other persons present at the meeting; name of the independent director who is an interested party as referred to in paragraph 1 of the preceding Article, explanation of the material aspects of the interest the director has, the reason why the director should or should not recuse himself or herself and whether or not the director has recused; and any objections or reservations expressed.
9. Other matters required to be recorded.

The attendance book forms a part of the minutes of each audit committee meeting and shall be well preserved for the duration of the existence of the Company.

The minutes of an audit committee meeting shall bear the signature or seal of both the chair and the minute taker, and a copy of the minutes shall be distributed to each independent director member on the Committee within 20 days after the meeting and be carefully preserved as important company records during the existence of the Company.

The meeting minutes may produced and distributed in electronic form.

Article 9-1

Any and all audit committee meetings shall be audio-recorded or videotaped from beginning to adjournment of the meeting as evidence and the files shall be kept for at least five (5) years. The files may be stored in the electronic form.

If any litigation relating to a resolution of the audit committee meeting commences before the expiry of the period in which the evidence shall be kept in accordance with the preceding paragraph, the relevant data of audio-recorded or videotaped evidence shall continually be kept until the conclusion of the litigation.

For an audit committee meeting convened via videoconferencing, the audio-recorded and videotaped data shall be part of the minutes of the meeting and shall be properly kept during the existence of the Company.

Article 10

The Committee thereof may, on behalf and at the cost of the Company, engage an attorney, certified public accountant to conduct a necessary audit or provide advice with respect to any matter related to the exercise of its powers.

Article 11

The Committee members shall exercise the due care of a good administrator and faithfully perform the duties prescribed in the Charter; they shall be accountable to the Board of Directors and shall submit their proposals to be resolved by the Board.

Article 12

The Committee shall conduct periodic reviews of matters relating to the Charter and present the results for amendment by the Board of Directors.

The execution of tasks relating to resolutions adopted by the Committee may be delegated to the convener or other committee members for follow-up, with a written or verbal report to be presented to the Committee during the implementation period. When necessary, the matter shall be presented for ratification or a report made at the next audit committee meeting.

Article 13

The Charter and any amendments hereto, shall be implemented after approval by the Board of Directors.