



Apex International Co., Ltd.
(Incorporated in Cayman Islands with limited liability)
2019 Annual General Meeting Minutes
(Translation)

Date: June 05, 2019 at 09:00 AM

Place: The Landis Taipei Hotel, Banquet Hall
(B1., No. 41, Sec. 2, Minquan E. Rd., Taipei City, Taiwan R.O.C.)

Total outstanding shares: 184,752,016 shares

Total shares represented by shareholders present in person or by proxy: 119,393,816 shares.

Percentage of shares held by shareholders present in person or by proxy: 64.62%

Directors present:

Director Mr. Shu-Mu Wang, Director Mr. Jui-Hsiang Chou, Director Mr. Sen-Tien Wu, Independent Director Mr. Chau-Chin Su (Convener of the Audit Committee), Independent Director Mr. Yung-Tsai Chen

Chairman: Mr. Shu-Mu Wang, the Chairman of the Board of Directors

Minutes taker: Ms. Yu-Ying Tsao

1. The Chairman called the meeting to order. (The number of shares represented by shareholders present in person or by proxy has reached the statutory number.)

2. Chairman's remarks (omitted)

3. Report Items

- (1) 2018 Operation Report (please refer to Attachment 1)
- (2) 2018 Final Accounting Books and Financial Statements Reviewed by Audit Committee (please refer to Attachment 2)

4. Approval items

- (1) Acceptance of the 2018 Final Accounting Books and Financial Statements (Proposed by the Board of Directors)

Explanation: a. 2018 annual final accounting books and financial statements were audited by CPA Chao, Min-Ju and CPA Chen, Ya-Lin of KPMG who issued unqualified opinion report.

b. For 2018 operation report, CPA's audit report and financial statements, please refer to attachment 1 and 3.

c. Please approve.

Voting Results: Shares represented at the time of voting: 119,393,816

Voting Results (including votes casted electronically)	% of the total represented share present
Approval votes: 104,691,967 votes	87.68 %
Disapproval votes: 18,196 votes	0.01 %
Invalid votes: 0 vote	0.00 %
Abstention votes / No votes: 14,683,653 votes	12.29 %

RESOLVED, proposal was approved after voting.

(2) Acceptance of the 2018 Annual Distribution of Earning of the Company (Proposed by the Board of Directors)

Explanation: a. Proposal of distribution of 2018 profits has been approved by Board of Director meeting on March 05, 2019.

b. 2018 audited annual net profit was NT\$ 829,425,085, after adding other comprehensive income NT\$3,462,126 caused by revaluation of defined benefit plan and adding retained earnings at end of 2017 NT\$ 1,198,746,073, total distributable retained earnings is NT\$ 2,031,633,284. The Company proposes to distribute NT\$ 465,235,800 as 2018 shareholders' dividend. Total retained earnings after distribution will be NT\$ 1,566,397,484. For profit distribution table, please refer to attachment 4.

c. The Company proposes to distribute approximately NT\$ 2.556 per share as cash dividend for shareholders. The total dividend number will be rounded down to zero decimal place. The fractional number after 1 decimal place will be taken as other income of the Company. The proposed distribution of cash dividends is based on total outstanding shares of 182,003,578 shares and it may be affected by the Company's bondholders who covert their bonds into newly-issued common shares. It is proposed that the Board of Directors be authorized by the Annual General Meeting to adjust the ultimate cash dividend per share accordingly.

d. Please approve.

Voting Results: Shares represented at the time of voting: 119,393,816

Voting Results (including votes casted electronically)		% of the total represented share present
Approval votes:	104,974,631 votes	87.92 %
Disapproval votes:	18,196 votes	0.01 %
Invalid votes:	0 vote	0.00 %
Abstention votes / No votes:	14,400,989 votes	12.06 %

RESOLVED, proposal was approved after voting.

5. Election item

(1) Election of the Company's Directors (Proposed by the Board of Directors)

Explanation: a. The tenure of all current directors (including independent directors) of the Company will expire on June 14, 2019. According to the Board's resolution, eleven directors (including three independent directors) will be elected at this annual general meeting. The term of office of the new directors will be three years, starting from June 05, 2019 and will expire on June 04, 2022. The directors will assume office immediately after 2019 Annual General Meeting.

b. The Company adopted the candidates nomination system for electing the directors (including independent directors). The List of Candidates for Directors and Independent Directors, please refer to Attachment 5.

c. Please vote.

Election Results: The list of the newly elected directors (including independent directors) with votes received is as follows:

Title	Name	Votes Received
Director	Wang, Shu-Mu	126,580,384
Director	Chou, Jui-Hsiang	109,222,463
Director	Cheng, Yung-Yuan	105,103,721
Director	Lee, Shun-Chung	97,327,636
Director	Wu, Sen-Tien	90,244,938
Director	Somkiat Krajangjaeng	87,916,886
Director	Chen, Tu-Chuan	86,464,188
Director	Lin, Chao-Ting	84,940,396
Independent Director	Su, Chau-Chin	94,745,240
Independent Director	Chen, Yung-Tsai	82,374,515
Independent Director	Jesadavat Priebjivat	75,691,210

6. Discussion items

- (1) Releasing Newly-Elected Directors from Non-competition Restrictions (Proposed by the Board of Directors)

Explanation: a. According to Article 29.6 of Company's Memorandum and Association and Article 209 of the Company Act, a director who conducts business within the business scope of the Company for himself or others shall explain at the shareholders' meeting the essential contents of such conduct and obtain the shareholders' approval.

- b. With the premise that Directors do not have conflicts to the interests of the Company, plans to request the Annual General Meeting to release the non-compete restrictions on newly-elected directors, who participate in the operations of other company that engages in the same or similar business scope as the Company. Please refer to the Attachment 6 for the Concurrent Positions of Director and Independent Director Candidates.

c. Please discuss.

Voting Results: Shares represented at the time of voting: 119,393,816

Voting Results (including votes casted electronically)	% of the total represented share present
Approval votes: 106,991,385 votes	89.61 %
Disapproval votes: 46,183 votes	0.03 %
Invalid votes: 0 vote	0.00 %
Abstention votes / No votes: 12,356,248 votes	10.34 %

RESOLVED, proposal was approved after voting.

- (2) Amendment to the "Memorandum of Association and Articles of Association" of the Company (Proposed by the Board of Directors)

Explanation: a. Pursuant to the requirement of the Taiwan Stock Exchange's letter dated November 30, 2018 (Tai-Zheng-Shang-II-10717037941) and the Foreign Issuer Shareholders' Rights Protection Checklist, it is proposed to amend the "Memorandum of Association and Articles of Association" of the Company. Please refer to the Attachment 7 for the comparison table of the Amendment.

b. For "Memorandum of Association and Articles of Association" before amendment, please refer to Meeting Handbook Appendix 2.

c. Please discuss.

Voting Results: Shares represented at the time of voting: 119,393,816

Voting Results (including votes casted electronically)		% of the total represented share present
Approval votes:	105,634,868 votes	88.47 %
Disapproval votes:	18,971 votes	0.01 %
Invalid votes:	0 vote	0.00 %
Abstention votes / No votes:	13,739,977 votes	11.50 %

RESOLVED, proposal was approved after voting (by way of a special resolution).

ADOPTION OF AMENED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

IT WAS RESOLVED THAT a new set of Memorandum and Articles of Association in the format attached hereto forming part of this resolution be and is hereby, in all respects ratified, adopted and approved to replace and supersede the original Memorandum and Articles of Association in their entirety, and that a copy of same be filed with the Registrar of Companies as prescribed by law.

(3) Amendment to the "Procedures for the Acquisition or Disposal of Assets" of the Company (Proposed by the Board of Directors)

Explanation: a. To co-operate with competent authority regulatory amendments, plans to amend the "Procedures for the Acquisition or Disposal of Assets" of Company. The comparison table of amendments, please refer to Attachment 8.

b. Please discuss.

Voting Results: Shares represented at the time of voting: 119,393,816

Voting Results (including votes casted electronically)		% of the total represented share present
Approval votes:	105,633,873 votes	88.47 %
Disapproval votes:	19,962 votes	0.01 %
Invalid votes:	0 vote	0.00 %
Abstention votes / No votes:	13,739,981 votes	11.50 %

RESOLVED, proposal was approved after voting.

(4) Amendment to the "Procedures for the Handling of Derivatives Trading" of the Company (Proposed by the Board of Directors)

Explanation: a. To co-operate with competent authority regulatory amendments, plans to amend the "Procedures for the Handling of Derivatives Trading" of Company. The comparison table of amendments, please refer to Attachment 9.

b. Please discuss.

Voting Results: Shares represented at the time of voting: 119,393,816

Voting Results (including votes casted electronically)		% of the total represented share present
Approval votes:	105,633,730 votes	88.47 %
Disapproval votes:	19,286 votes	0.01 %
Invalid votes:	0 vote	0.00 %
Abstention votes / No votes:	13,740,800 votes	11.50 %

RESOLVED, proposal was approved after voting.

- (5) Amendment to the "Rules and Procedures of Shareholders' Meeting" of the Company (Proposed by the Board of Directors)

Explanation: a. To co-operate with competent authority regulatory amendments, plans to amend the "Rules and Procedures of Shareholders' Meeting" of Company. The comparison table of amendments, please refer to Attachment 10.

b. Please discuss.

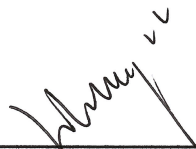
Voting Results: Shares represented at the time of voting: 119,393,816

Voting Results (including votes casted electronically)		% of the total represented share present
Approval votes:	105,627,831 votes	88.47 %
Disapproval votes:	18,977 votes	0.01 %
Invalid votes:	0 vote	0.00 %
Abstention votes / No votes:	13,747,008 votes	11.51 %

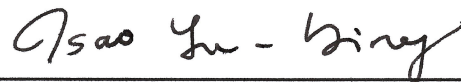
RESOLVED, proposal was approved after voting.

7. Extemporary motions: None

8. Meeting adjourned: 09 : 44 AM



Shu-Mu Wang
Chairman of the Board of Directors



Yu-Ying Tsao
Minutes taker

Attachments

Attachment 1

Apex International Co., Ltd. 2018 Annual Operating Report

Dear Shareholders,

The Senior Management Team is pleased to report the operating result of 2018 by this report. Apex had absorbed significant rise of cost of materials in 2017. Under such turbulence, Apex started to proceed improvements in order to decrease production cost then was able to face to challenges from the environment. During July of 2017 to June of 2018, Apex kept strengthening SOP of fundamental employees; build up costing control team to closely communicate with production line and to find room for improvement; improved purchase strategy on supplies; improved manufacturing process etc. which made operating performance quickly improved in 2018. It was made by the whole members of Apex.

On behalf of Management, we would like to thank employees, shareholders, trade partners and financial institutions for your support and trust in APEX, making us able to work through the obstacles and challenges and maintain the Company in good shape. We are expecting to have your continuing support for our future growth and success and we are committed to create more value for all of our stakeholders.

1. 2018 Business Report

(1) Results of Business Plans Implemented

Amount unit: NT \$million	2018		2017		Change %
	Amount	% to sales	Amount	% to sales	
Total income	11,175	100%	10,395	100%	8%
Cost of goods sold	9,354	84%	9,311	90%	0%
Gross Profit	1,821	16%	1,084	10%	68%
Operating income	835	7%	91	1%	818%
Interest Expenses	103	1%	114	1%	-10%
Income before tax	841	8%	109	1%	672%
Net income	833	7%	78	1%	968%

Although Apex had completed expansion, we still keep improving manufacturing process in order to create more output which led us still have 8% growth of sales in 2018. As described in prior paragraph, improved production cost made gross margin and net profit be improved significantly in 2018.

(2) Budget Implementation

Actual sales amount in 2018 was NT\$ 11.2 billion which is 98.7% of budgeted number 11.3 billion. However the improvement of production cost was better than expectation that made achievement percentage of net profit after tax to be 180%.

(3) Financial Structure

Financial Ratio	2018	2017
Debt ratio (%)	50.50%	60.79%
Ratio of long-term capital to fixed assets (%)	109.76%	101.61%
Current ratio (%)	110.34%	100.51%
Receivables turnover ratio (time)	3.32	3.65
Inventory turnover ratio (time)	5.56	6.04
Return on assets ratio (%)	7.83%	1.53%
Return on equity ratio (%)	16.00%	1.86%
Earnings per share (NT dollar)	5.45	0.59

In 2018, because of improvements of production cost, improved profit led our convertible bonds gradually be converted. Therefore, in general, our financial structure, liability payback ability, operating ability and profitability were improved.

(4) Research and Development

As a PCB manufacturer, Apex focuses on improvement of production and processing capacity in the hope that the output efficiency and quality can meet the demand of customers.

The achievements Apex accomplished with regard to upgraded, process and design in 2018 are as follows:

- Large working board (28 inches) process
- High reliability automobile Board process included drilling and plating process

In 2019, Apex will carry out the following plans:

- IOT for drilling process
- Auto printing function for solder mask process and faster changing ability
- Lab for reliability ability

2.2019 Business Outlines

(1) Business Policies

- A. Concentration on the traditional multi-layers rigid PCB from 4~12 layers
- B. Increase major customer's allocation to APEX, increase market share
- C. Continue to develop new customer and its product
- D. Reduce quality defective parts (DPPM) and ensure total customer satisfaction
- E. Avoid price erosion by locking in price by half yearly instead of quarterly from price cuts by customers
- F. Flexible and immediate reaction to market movements

(2) Projected Sales and Basis of Projection

Apex will keep stabilizing factory operation and cost control by foreseeing possible sales price competition caused by potential recession of global economy. Meanwhile, Apex will work hard to maintain competitiveness and progressively develop new customers. Hence we expect that we may still have slight growth of sales amount and volume.

(3) Production and Marketing Policy

After the new plants started production, Apex's capacity maintained at level of 490 thousand square meters each month.

Our production policy is as follows:

- A. Maintain production at full capacity to help reducing fixed overhead and maximize profit
- B. Setting the standard usage to control high unit price materials
- C. Continue to improve production capability including reduction of down time and increase output
- D. Production plan according to customers' order or firm plan
- E. Setting standard period to control work in process outstanding in each process not over 1 day
- F. Continue to investigate and analyze defect mode then provide corrective action in order to reduce scrap ratio
- G. Disciplined, safety and 5S management over the long process of manufacturing
- H. Shorten sample lead time to support customer new product development lead time
- I. Set up real time key condition / quality yield rate / output monitoring system. In order to solve out process issue quickly
- J. Enhance PQC real time feedback system with defect trigger alarm signal for monitor process quality and stable process condition

3.Future Company Development Strategy

In the future, Apex will continue to focus on the following key areas:

- (1) Diversify the high-end product application on the Apex 2 due to the upgraded machineries being invested
- (2) Speed up the learning curve on Apex II on new products so as to improve her profit structure
- (3) Expand the strategic Korean business from existing order of LCD-TV/STB to the Home-Appliance
- (4) Set up the in-house laboratory for future enhancement and assurance on the Apex PCB reliability
- (5) Keep factory with the constantly high loading rate of 90-95% on both Apex 1 and Apex-2-1/2-2 for best use of the layout capacity
- (6) Establish Product traceability system in order to provide better quality improvement information and risk management
- (7) Develop automatic process to provide consistence quality and reduce handling issued

4.Impacts from the External Competitive Environment, Legal Environment and Overall Management Environment

(1) External Competitive Environment

Competition in the electronic industry has remained fierce and challenges from Chinese suppliers are especially tough. However, because of Apex' objective advantage of being located in Southeast Asia and China's increasingly disadvantageous policies for low-end PCB businesses, in addition, China and US are still struggling in the mud of trade war, Apex's competitive edges will grow more obvious as time passes. Besides the objective advantage from the geographic location, strict cost and quality control has also created subjective advantages and enabled Apex to meet the demand and expectations of customers.

By keeping a close watch on market developments and competition situations, Apex is able to make various strategic plans in advance, continue to exhibit its strong

execution capacity, make precise estimates of customers' orders, and implement its procurement tactics and production-marketing plans in the most efficient way. Looking at 2019, Apex is confident that it will be able to continue to provide customers with high quality service, punctual deliveries and best quotations.

(2) The Legal Environment

Every country continues to adopt new regulations. Apex is aware of its social responsibility and will make every necessary effort to comply with such new regulations. The regulations on the governance of listed companies set by the competent authority in Taiwan are growing more and more comprehensive. Apex will adhere to the spirit of corporate governance, manage its business with integrity, strengthen the capacity of the board of directors, perfect the channels for communication with stakeholders, make company information transparent, keep shareholder equity in balance, and fulfill its corporate social responsibility.

(3) Overall Management Environment

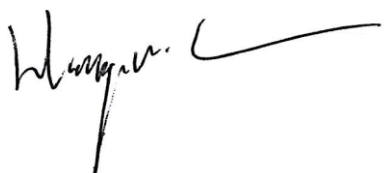
Apex, as a factory located in Thailand, keeps looking for stable sources of orders. In recent years, Apex was always being threatened by PCB competitors from China with their growing capacity and declining price. However Apex keeps pursuing higher internal operating performance in order to meet customers' requirements and provide qualified services. Therefore Apex still successfully developed market in Mainland China in recent years. Sales proportion of China and Hong Kong was around 20%.

By observing 2018, Apex successfully improved profit founded by her solid and long-term management culture. In 2019, our prior goals will be that to stabilize manufacturing ability, to cautiously control production cost and to keep capacity utilization staying at high level.

Competition and challenges will not stop in the future, but Apex is fully prepared. We believe that Apex can still keep growing in such tough environment by our competitive ability and new orders.

Chairman

Wang, Shu Mu



Chief Executive Officer

Chou, Jui Hsiang



Accounting Managerial
Personnel

Hsu, Shou Hua



Apex International Co., Ltd.
Audit Committee's Review Report

Board of Directors has prepared the Company's 2018 Business Report, Consolidated Financial Statement, and proposal for allocation of profits. The CPA firm of KPMG was retained to audit the Company's Consolidated Financial Statements. KPMG has completed audit procedures and issued Audit Opinion. Business Report, Financial Statements, and profit allocation proposal have been reviewed and determined to be correct and accurate by Audit Committee members of the Company. According to Article 14-4 of Securities and Exchange Act and Article 219 of Company Law, we hereby submit this report.

Apex International Co., Ltd.

Chairman of Audit Committee: Su, Chau-Chin

A handwritten signature in blue ink, appearing to read 'Su Chau-Chin', is written over a faint blue horizontal line.

Date: March 05, 2019

Apex International Co., Ltd.

CPA Audit Report and Financial Statements



安侯建業聯合會計師事務所

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Independent Auditors' Report

To the Board of Directors of Apex International Co., Ltd.:

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the consolidated financial statements of the current period. These

matters were addressed in the context of our audit of the consolidated financial statements taken as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on our judgments, the key audit matters that should be disclosed in this audit report are as follows:

1. Revenue recognition

Please refer to note 4(m) "Recognition of Revenue" for accounting policy related to revenue recognition, and note 6(q) for the information related to revenue of the consolidated financial statements.

Description of key audit matter:

The Group entered into agreements or sales orders, with different terms and conditions, with its major customers, which increase the complexity of the timing of revenue recognition. Therefore, the revenue recognition was considered to be one of the key audit matters in our audit.

How the matter was addressed in our audit:

Our audit procedures included:

- Assessing and testing the design, as well as the effectiveness of the operation on the control over sales and collection cycle.
- Performing comparison analysis on sales of the current period to last period and the latest quarter, and performing trend analysis on operating income from each top ten customer to assess the existence of any significant exceptions, and further identify and analyze the reasons if there is any significant exception.
- Performing test of detail on sales to assess the assertions of existence and accuracy, as well as the appropriateness of recognition.
- Performing sales cut off test of a period before and after the financial position date by vouching relevant documents of sales transactions to determine whether sales of goods, sales returns and allowances have been appropriately recognized.

2. Impairment of accounts receivable

Please refer to note 4(g) "Financial Instruments" 1. Financial Assets (3) Impairment of financial assets for accounting policy related to impairment of accounts receivable, note 5(a) for accounting assumptions and estimation uncertainties of impairment of accounts receivable, note 6(c) "Accounts receivable" and note 6(d) "Other receivables" for information related to impairment of accounts receivable of the consolidated financial statements.

Description of key audit matter:

The accounts receivable of the Group stands a significant ratio in the total asset of the consolidated statements of financial position, and the collectability of accounts receivable is subject to significant judgment by the management. Also, in 2018, the Group is required to adopt IFRS 9 for the first time, which involves the adoption of new complex accounting requirements and accounting policies, to assess and measure new assumptions and judgments made in determining the Group's expected credit loss, as well as the relevance and reliability of the data used in the determination of

the said loss. Furthermore, as the judgment and determination of the expected credit loss are susceptible to management bias and new disclosure requirements, the assessment of the impairment of accounts receivable is considered to be one of the key audit matters in our audit.

How the matter was addressed in our audit:

Our audit procedures included:

- Evaluating the appropriateness of the accounting policies based on the requirements of IFRS 9, our business understanding and industry practice.
- Assessing the reasonableness of key judgments and estimates (including the selection of methods, assumptions, and data sources) made by the management in determining the impairment of accounts receivables.
- Performing comparison analysis on turnover rates of accounts receivable and the movements in accounts receivable of the top ten customers of the current period to last period and the latest quarter to assess the existence of any significant exceptions, and further identify and analyze the reasons if there is any significant exception.
- Assessing whether appropriate provision policies for doubtful accounts are applied.
- Obtaining aging analysis of accounts receivable and examining relevant documents to verify the accuracy of the aging period. Understanding the reason on long overdue accounts receivable of major customers to identify whether signs of impairment loss exist in order to assess the appropriateness of provision for doubtful accounts.
- Assessing whether the Group's impairment of accounts receivable has been set aside in accordance with the Group's provision policy on a consistent basis.
- Assessing the appropriateness and adequacy of provision for doubtful accounts made by the management in accordance to the ratio of actual write offs of accounts receivable that uncollectable over the sum of historical accounts receivable and subsequent collection of accounts receivable.
- Assessing the completeness, accuracy, and relevance of the disclosures to the financial statements.

3. Subsequent measurements of inventories

Please refer to note 4(h) "Inventories" for accounting policy related to subsequent measurements of inventories, note 5(b) for accounting assumptions and estimation uncertainties of inventories and note 6(e) for information related to impairment of inventories of the consolidated financial statements.

Description of key audit matter:

Inventories of the Group are measured at the lower of cost and net realizable value. The fair value of inventories is vulnerable to the impact of highly competitive market of printed circuit board. Furthermore, high price volatility on raw material this year is likely to increase the risk of loss on market price decline, and as a result, overestimation of the subsequent measurement of inventories is more likely to occur. Therefore, the subsequent measurements of inventories was considered to be one of the key audit

matters in our audit.

How the matter was addressed in our audit:

Our audit procedures included:

- Assessing whether appropriate provision policies for inventories are applied.
- Assessing whether the Group's subsequent measurement of inventories has been evaluated in accordance with the Group's provision policy on a consistent basis.
- Obtaining aging analysis of inventories, assessing the appropriateness of provision set aside for obsolete and slow moving inventories, and examining relevant documents to verify the accuracy of the aging period.
- Obtaining evaluation report of the net realizable value of inventories, assessing the appropriateness of provision set aside for loss on market price decline, and examining relevant documents to verify the accuracy of sales prices and calculation of net realizable value.

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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, interpretations as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of 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 charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

The engagement partners on the audit resulting in this independent auditors' report are Min Ju Chao and Ya Lin Chen.

KPMG

Taipei, Taiwan (Republic of China)

March 5, 2019

Notes to Readers

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

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)
APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES
Consolidated Balance Sheets
December 31, 2018 and 2017
(Expressed in Thousands of New Taiwan Dollars)

		December 31,		December 31,				31, 2018		31, 2017	
		2018		2017				Amount	%	Amount	%
Assets		Amount	%	Amount	%	Liabilities and Equity					
11xx	Current assets:					21xx	Current liabilities:				
1100	Cash and cash equivalents (note 6(a))	\$ 410,268	3	247,564	2	2100	Short-term loans (notes 6(h), 7, 8 and 9)	\$1,287,170	11	1,195,048	11
1110	Financial assets measured at fair value through profit or loss—current (note 6(b))	4,401	-	378	-	2120	Financial liabilities measured at fair value through profit or loss—current (notes 6(b))	191	-	172	-
1170	Accounts receivable, net (note 6(c))	3,643,989	30	3,078,106	28	2170	Accounts payable	2,283,616	19	2,186,430	19
1200	Other receivables (note 6(d))	42,988	-	66,075	1	2200	Other payables (note 7)	427,934	4	398,120	4
130x	Inventories (note 6(e))	1,652,363	14	1,390,931	12	2213	Payable for machinery and equipment	228,758	2	292,909	3
1479	Other current assets	<u>61,431</u>	<u>1</u>	<u>51,278</u>	<u>-</u>	2230	Current tax liabilities	872	-	9,012	-
	Total current assets	<u>5,815,440</u>	<u>48</u>	<u>4,834,332</u>	<u>43</u>	2321	Current portion of convertible bonds payable (notes 6(j) and (o))	609,649	5	-	-
15xx	Non-current assets:					2322	Current portion of long-term loans (notes 6(i), 7, and 8)	262,348	2	546,402	5
1510	Financial asset measured at fair value through profit or loss—non-current (note 6(j))	170	-	-	-	2355	Current portion of liabilities under finance leases (notes 6(k) and 8)	149,677	1	167,575	1
1600	Property, plant and equipment (note 6(f), 8, and 9)	6,260,130	52	6,319,396	57	2399	Other current liabilities	<u>19,883</u>	<u>-</u>	<u>13,777</u>	<u>-</u>
1780	Intangible assets (note 6(g))	37,879	-	16,280	-		Total current liabilities	<u>5,270,098</u>	<u>44</u>	<u>4,809,445</u>	<u>43</u>
1840	Deferred tax assets (note 6(n))	12,227	-	10,595	-	25xx	Non-Current liabilities:				
1915	Prepayment for equipment	7,364	-	21,360	-	2530	Convertible bonds payable (notes 6(j) and (o))	44,946	-	596,110	5
1920	Refundable deposits	8,137	-	8,256	-	2540	Long-term loans (notes 6(i), 7, and 8)	584,764	5	1,021,916	9
1980	Other financial assets—non-current (note 8)	<u>-</u>	<u>-</u>	<u>20,894</u>	<u>-</u>	2570	Deferred tax liabilities (note 6(n))	46,242	1	42,501	-
	Total non-current assets	<u>6,325,907</u>	<u>52</u>	<u>6,396,781</u>	<u>57</u>	2612	Long-term payable	21,771	-	64,575	1
						2613	Liabilities under finance leases (notes 6(k) and 8)	122,606	1	262,587	3
						2670	Other non-current liabilities (notes 6(k) and (m))	<u>42,025</u>	<u>-</u>	<u>30,627</u>	<u>-</u>
							Total non-current liabilities	<u>862,354</u>	<u>7</u>	<u>2,018,316</u>	<u>18</u>
						2xxx	Total liabilities	<u>6,132,452</u>	<u>51</u>	<u>6,827,761</u>	<u>61</u>
						31xx	Equity attributable to owners of parent (notes 6(j), (m), (n) and (o)):				
						3110	Common stock	1,702,295	14	1,445,180	13
						3200	Capital surplus	1,944,448	16	1,652,256	15
						3300	Retained earnings	2,331,889	19	1,499,002	13
						3410	Exchange differences on translation of foreign financial statements	<u>2,661</u>	<u>-</u>	<u>(216,966)</u>	<u>(2)</u>
							Total equity attributable to owners of parent	<u>5,981,293</u>	<u>49</u>	<u>4,379,472</u>	<u>39</u>
						36xx	Non-controlling interests	<u>27,602</u>	<u>-</u>	<u>23,880</u>	<u>-</u>
						3xxx	Total equity	<u>6,008,895</u>	<u>49</u>	<u>4,403,352</u>	<u>39</u>
						2-3xxx	Total liabilities and equity	<u>\$12,141,347</u>	<u>100</u>	<u>\$11,231,113</u>	<u>100</u>
1xxx	Total assets	<u>\$12,141,347</u>	<u>100</u>	<u>\$11,231,113</u>	<u>100</u>						
		December		December							

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2018 and 2017

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

	2018		2017	
	Amount	%	Amount	%
4000 Operating revenue (notes 6(q) and (r))	\$ 11,175,098	100	10,395,323	100
5000 Operating costs (notes 6(e), (f), (g), (l) and (m))	9,354,427	84	9,310,847	90
Gross profit (loss) from operations	1,820,671	16	1,084,476	10
6000 Operating expenses (notes 6(c), (d), (f), (g), (l), (m), (o), and 7):				
6100 Selling expenses	528,797	5	544,589	5
6200 Administrative expenses	457,099	4	449,003	4
6450 Expected credit loss (gain)	236	-	-	-
Total operating expenses	986,132	9	993,592	9
6900 Operating income	834,539	7	90,884	1
7000 Non-operating income and expenses (notes 6(b), (f), (h), (i), (j), (k) and (s)):				
7010 Other income	39,890	-	19,502	-
7020 Other gains and losses	69,103	1	113,100	1
7050 Finance costs	(102,970)	(1)	(114,365)	(1)
Total non-operating income and expenses	6,023	-	18,237	-
7900 Profit before income tax	840,562	7	109,121	1
7951 Less: Income tax expense (note 6(n))	7,504	-	30,677	-
Profit	833,058	7	78,444	1
8300 Other comprehensive income (loss):				
8310 Components of other comprehensive income that will not be reclassified to profit or loss				
8311 Gains (losses) on remeasurements of defined benefit plans	3,477	-	(397)	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	30	-
Components of other comprehensive income that will not be reclassified to profit or loss	3,477	-	(367)	-
8360 Items that may be reclassified subsequently to profit or loss				
8361 Exchange differences on translation of foreign operations	220,556	2	83,667	1
8399 Other components of other comprehensive income that may be subsequently reclassified to profit or loss	-	-	-	-
Components of other comprehensive income that will be reclassified to profit or loss	220,556	2	83,667	1
8300 Other comprehensive income, net	224,033	2	83,300	1
Total comprehensive income	\$ 1,057,091	9	161,744	2
Profit, attributable to:				
8610 Owners of parent	\$ 829,425	7	78,000	1
8620 Non-controlling interests	3,633	-	444	-
	\$ 833,058	7	78,444	1
Comprehensive income attributable to:				
8710 Owners of parent	\$ 1,052,514	9	160,924	2
8720 Non-controlling interests	4,577	-	820	-
	\$ 1,057,091	9	161,744	2
Basic earnings per share (expressed in New Taiwan dollars)(note 6(p))				
9750 Basic earnings per share	\$ 5.45		0.59	
9850 Diluted earnings per share	\$ 4.93		0.59	

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the years ended December 31, 2018 and 2017
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent								
	Common stock	Capital surplus	Special reserve	Retained earnings		Exchange differences on translation of foreign operation	Total equity attributable to owners of parent	Non-controlling interests	Total equity
				Unappropriated retained earnings	Total				
Balance at January 1, 2017	\$ 1,225,950	1,483,703	213,473	1,342,749	1,556,222	(300,256)	3,965,619	23,393	3,989,012
Appropriation and distribution of retained earnings:									
Special reserve appropriated	-	-	86,783	(86,783)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	(95,624)	(95,624)	-	(95,624)	-	(95,624)
Stock dividends of ordinary share	39,230	-	-	(39,230)	(39,230)	-	-	-	-
Profit	-	-	-	78,000	78,000	-	78,000	444	78,444
Other comprehensive income	-	-	-	(366)	(366)	83,290	82,924	376	83,300
Total comprehensive income	-	-	-	77,634	77,634	83,290	160,924	820	161,744
Issue of shares	180,000	168,220	-	-	-	-	348,220	-	348,220
Changes in ownership interests in subsidiaries	-	333	-	-	-	-	333	(333)	-
Balance at December 31, 2017	1,445,180	1,652,256	300,256	1,198,746	1,499,002	(216,966)	4,379,472	23,880	4,403,352
Profit	-	-	-	829,425	829,425	-	829,425	3,633	833,058
Other comprehensive income	-	-	-	3,462	3,462	219,627	223,089	944	224,033
Total comprehensive income	-	-	-	832,887	832,887	219,627	1,052,514	4,577	1,057,091
Conversion of convertible bonds	257,115	264,652	-	-	-	-	521,767	-	521,767
Equity component from convertible bonds issued	-	27,540	-	-	-	-	27,540	-	27,540
Changes in non-controlling interests	-	-	-	-	-	-	-	(855)	(855)
Balance at December 31, 2018	\$ 1,702,295	1,944,448	300,256	2,031,633	2,331,889	2,661	5,981,293	27,602	6,008,895

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)
APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the years ended December 31, 2018 and 2017
(Expressed in Thousands of New Taiwan Dollars)

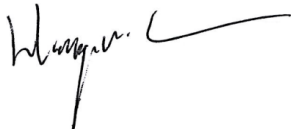
	2018	2017
Cash flows from (used in) operating activities:		
Profit before tax	\$ 840,562	109,121
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	659,479	614,721
Amortization expense	10,821	8,104
Expected credit loss / Provision for bad debt expense	236	229
Interest expense	102,970	114,365
Interest income	(4,798)	(980)
Loss on disposal of property, plant and equipment	19,930	2,696
Impairment loss on non-financial assets	896	483
Total adjustments to reconcile profit	<u>789,534</u>	<u>739,618</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Financial assets held for trading	(8,316)	9,597
Accounts receivable	(566,119)	(471,547)
Other receivables	23,087	268,862
Inventories	(261,432)	104,871
Other current assets	(10,153)	(11,247)
Total changes in operating assets	<u>(822,933)</u>	<u>(99,464)</u>
Changes in operating liabilities:		
Financial liabilities held for trading	19	(553)
Accounts payable	97,186	235,982
Other payables	29,273	83,685
Other current liabilities	6,106	497
Other non-current liabilities	14,905	5,800
Total changes in operating liabilities	<u>147,489</u>	<u>325,411</u>
Total changes in operating assets and liabilities	<u>(675,444)</u>	<u>225,947</u>
Total adjustments	<u>114,090</u>	<u>965,565</u>
Cash inflow generated from operations	954,652	1,074,686
Interest received	4,798	980
Interest paid	(83,833)	(100,693)
Income taxes paid	(14,906)	(53,955)
Net cash flows from operating activities	<u>860,711</u>	<u>921,018</u>
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(504,876)	(735,918)
Proceeds from disposal of property, plant and equipment	4,143	682
Acquisition of intangible assets	(30,345)	(3,098)
Decrease (increase) in prepayments for equipment	14,536	(4,693)
Decrease (increase) in refundable deposits	119	(713)
Decrease (increase) in other financial assets – non-current	20,894	(20,894)
Net cash used in investing activities	<u>(495,529)</u>	<u>(764,634)</u>
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term loans	48,058	(290,211)
Proceeds from issuing bonds	593,319	-
Proceeds from long-term loans	1,621,503	2,164,780
Repayments of long-term loans	(2,371,356)	(2,096,317)
Increase in liabilities under finance lease	-	69,031
Decrease in liabilities under finance lease	(170,833)	(184,410)
Cash dividends paid	-	(95,624)
Proceeds from issuing shares	-	348,220
Change in non-controlling interests	(855)	-
Net cash flows from financing activities	<u>(280,164)</u>	<u>(84,531)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>77,686</u>	<u>4,606</u>
Net increase in cash and cash equivalents	162,704	76,459
Cash and cash equivalents at beginning of period	247,564	171,105
Cash and cash equivalents at end of period	<u>\$ 410,268</u>	<u>247,564</u>

Apex International Co., Ltd.
2018 Annual Profit Distribution Table

單位:新台幣元(Unit: NTD\$)

項目 Items		金額 Total	備註 Notes
期初未分派盈餘	Beginning retained earnings	1,198,746,073	
加:稅後淨利	Add: net profit after tax	829,425,085	
減:其他綜合損益	Deduct: other comprehensive income	3,462,126	Caused by actuarial gains from revaluation of defined benefit plan (APT's employee benefit)
可供分派餘額	Distributable net profit	2,031,633,284	
分派項目	Distributable items:		
現金股利	Cash dividend (NTD 2.556 per share)	465,235,800	1. Number of total shares is 182,003,578 shares on 25/2/2019
股票股利	Stock dividend (NTD 0.000 per share)	0	2. Plan to issue about NTD 2.556 as dividend per share
期末未分派盈餘	Unappropriated retained earnings	1,566,397,484	
附註 Notes:			
員工紅利	Employee bonus sharing	0	
董事酬勞	Compensation of directors	720,000	Each independent director compensated NTD 240,000, total head count is 3

Chairman
Wang, Shu Mu



Chief Executive Officer
Chou, Jui Hsiang



Accounting Managerial Personnel
Hsu, Shou Hua



Apex International Co., Ltd.
List of Candidates for Directors and Independent Directors

Category	Name	Experience and Education	Current position
Director	Wang, Shu-Mu	Dept of Business Mathematics, SooChow University Chairman, Apex International Co., Ltd. Chairman and Chief Strategy officer, Apex Circuit(Thailand) Co., Ltd. Chairman, Approach Excellence Trading Ltd.	Chairman, Apex International Co., Ltd. Chairman and Chief Strategy officer, Apex Circuit(Thailand) Co., Ltd. Chairman, Approach Excellence Trading Ltd.
Director	Chou, Jui-Hsiang	Dept of International Business and Trade, Aletheia University Director and General manager, Apex International Co., Ltd. Director and Chief Executive Officer, Apex Circuit (Thailand) Co., Ltd.	Director and General manager, Apex International Co., Ltd. Director and Chief Executive Officer, Apex Circuit (Thailand) Co., Ltd.
Director	Cheng, Yung-Yuan	Dept of Applied Sciences Electronic Engineering, National Kaohsiung University Director, Apex International Co., Ltd. Chief Operating Officer, Apex Circuit (Thailand) Co., Ltd. Chief Procurement Officer, Apex Circuit (Thailand) Co., Ltd.	Director, Apex International Co., Ltd. Chief Operating Officer, Apex Circuit (Thailand) Co., Ltd.
Director	Lee, Shun-Chung	Dept of Business Administration, National ChengChi University Director, Apex International Co., Ltd. Chief Brand Officer and Vice President, Apex Circuit (Thailand) Co., Ltd.	Director, Apex International Co., Ltd. Chief Brand Officer and Vice President, Apex Circuit (Thailand) Co., Ltd.
Director	Wu, Sen-Tien	Dept of Money and Banking, National ChengChi University Director, Apex International Co., Ltd. Chief Strategy Officer and Vice President, Apex International Co., Ltd. Director, Unity Opto Technology Co., Ltd.	Director, Apex International Co., Ltd. Chief Strategy Officer and Vice President, Apex International Co., Ltd. Director, Unity Opto Technology Co., Ltd.
Director	Somkiat Krajangaeng	Dept of Mechanical Engineering, Siam University, Thailand Director, Apex International Co., Ltd. Vice President, Apex Circuit (Thailand) Co., Ltd.	Director, Apex International Co., Ltd. Vice President, Apex Circuit (Thailand) Co., Ltd.

Category	Name	Experience and Education	Current position
Director	Chen, Tu-Chuan	Dept of Education Industrial Education, National Changhua University Chief Technology Officer, Apex International Co., Ltd.	Chief Technology Officer, Apex International Co., Ltd.
Director	Lin, Chao-Ting	Dept of Chemistry, Master of Science, National Tsing Hua University Deputy Plant Director of Pingchen plant, Tripod Technology Corporation Senior Manager, Apex Circuit (Thailand) Co., Ltd. Assist Manager, Manager, Deputy Plant Director of Pingchen plant, Tripod Technology Corporation	Acting Chief Operating Officer, Apex Circuit (Thailand) Co., Ltd.
Independent Director	Su, Chau-Chin	Doctor of Philosophy, University of Wisconsin-Madison, USA Independent Director, Apex International Co., Ltd. Professor, Electrical and Computer Engineering, National Chiao Tung University	Independent Director, Apex International Co., Ltd. Professor, Electrical and Computer Engineering, National Chiao Tung University
Independent Director	Chen, Yung-Tsai	Master of Business Management, Tatung University Independent Director, Apex International Co., Ltd. Director, Celxpert Energy Corporation	Independent Director, Apex International Co., Ltd. Director, Celxpert Energy Corporation
Independent Director	Jesadavat Priebjrivat	Master of Business Administration, New York University USA Master of Engineering Administration, The George Washington University, USA Independent Director, Apex International Co., Ltd. Independent Director, Apex Circuit (Thailand) Co., Ltd. Chairman and Independent Director, Gratitude Infinite Public Co., Ltd. Independent Director, Seamico Securities Public Co., Ltd. Independent Director, Sansiri Public Co., Ltd.	Independent Director, Apex International Co., Ltd. Independent Director, Apex Circuit (Thailand) Co., Ltd. Chairman and Independent Director, Gratitude Infinite Public Co., Ltd. Independent Director, Seamico Securities Public Co., Ltd. Independent Director, Sansiri Public Co., Ltd.

Apex International Co., Ltd.**List of Positions of the Candidates for Directors and Independent Directors in Other Companies**

Category	Name	Positions in Other Companies
Director	Wang, Shu-Mu	Chairman and Chief Strategy officer, Apex Circuit(Thailand) Co., Ltd. Chairman, Approach Excellence Trading Ltd.
Director	Chou, Jui-Hsiang	Director and Chief Executive Officer, Apex Circuit (Thailand) Co., Ltd.
Director	Wu, Sen-Tien	Chief Strategy Officer and Vice President, Apex International Co., Ltd. Director, Unity Opto Technology Co., Ltd.
Independent Director	Chen, Yung-Tsai	Director, Celxpert Energy Corporation
Independent Director	Jesadavat Priebjivat	Independent Director, Apex Circuit (Thailand) Co., Ltd. Chairman and Independent Director, Gratitude Infinite Public Co., Ltd. Independent Director, Seamico Securities Public Co., Ltd. Independent Director, Sansiri Public Co., Ltd.

Apex International Co., Ltd.

**Comparison Table For the Amended and Restated Memorandum of Association and
Articles of Association**

Number of Article	After the Amendment	Before the Amendment	Explanation
Memorandum of Association			
Title of the Memorandum of Association	THE COMPANIES LAW (REVISED) COMPANY LIMITED BY SHARES AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION OF Apex International Co., Ltd.	THE COMPANIES LAW (2016 REVISION) COMPANY LIMITED BY SHARES AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION OF Apex International Co., Ltd.	The revision is made based on Cayman law practice.
Article 4	Subject to the following provisions of this Memorandum, the Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit, as provided by Section 27(2) of The Companies Law (Revised).	Subject to the following provisions of this Memorandum, the Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit, as provided by Section 27(2) of The Companies Law (2016 Revision).	The revision is made based on Cayman law practice.
Article 8	The share capital of the Company is NTD3,000,000,000.00 divided into 300,000,000 shares of a nominal or par value of Taiwan Dollar 10.00 each, with power for the Company insofar as is permitted by law to redeem or purchase any of its shares and to increase or reduce the said capital subject to the provisions of the Companies Law (Revised) and the Articles of Association and to issue	The share capital of the Company is NTD3,000,000,000.00 divided into 300,000,000 shares of a nominal or par value of Taiwan Dollar 10.00 each, with power for the Company insofar as is permitted by law to redeem or purchase any of its shares and to increase or reduce the said capital subject to the provisions of the Companies Law (2016 Revision) and the Articles of Association and to	The revision is made based on Cayman law practice.

Number of Article	After the Amendment	Before the Amendment	Explanation
	any part of its capital, whether original, redeemed or increased with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether stated to be preference or otherwise shall be subject to the powers hereinbefore contained.	issue any part of its capital, whether original, redeemed or increased with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether stated to be preference or otherwise shall be subject to the powers hereinbefore contained.	
Articles of Association			
Title of the Articles of Association	THE COMPANIES LAW (REVISED) COMPANY LIMITED BY SHARES AMENDED AND RESTATED ARTICLES OF ASSOCIATION OF APEX INTERNATIONAL CO., LTD.	THE COMPANIES LAW (2016 REVISION) COMPANY LIMITED BY SHARES AMENDED AND RESTATED ARTICLES OF ASSOCIATION OF APEX INTERNATIONAL CO., LTD.	The revision is made based on Cayman law practice.
Article 1	The Regulations contained or incorporated in Table A of the First Schedule of the Companies Law (Revised) shall not apply to this Company.	The Regulations contained or incorporated in Table A of the First Schedule of the Companies Law (2016 Revision) shall not apply to this Company.	The revision is made based on Cayman law practice.
Article 2(a) (xiii)	<u>Family Relationship within Second Degree of Kinship in respect of a person, means another person who is related to the first person either by blood or by marriage of a member of the family and within the second degree shall</u>	(New Article)	The defined term is used in Article 43.2.

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>include the parents, siblings, grandparents, children and grandchildren of the first person as well as the parents, siblings and grandparents of the first person's spouse;</u></p>		
Article 2(a) (xvi)	<p>Law the Companies Law (<u>Revised</u>) of the Cayman Islands and any amendment or other statutory modification thereof and where in these Articles any provision of the Law is referred to, the reference is to that provision as modified by any law for the time being in force;</p>	<p>Law the Companies Law (<u>2016 Revision</u>) of the Cayman Islands and any amendment or other statutory modification thereof and where in these Articles any provision of the Law is referred to, the reference is to that provision as modified by any law for the time being in force;</p>	<p>The revision is made based on Cayman law practice.</p>
Article 2(a)(xxxvii)	<p>Subsidiary means, with respect to any company, (1) the entity, one-half or more of whose total number of the <u>issued</u> voting shares or the total amount of the capital stock are directly or indirectly held by such company; (2) the entity that such company has a direct or indirect control over its personnel, financial or business operation; (3) the entity, one-half or more of whose executive shareholders or board directors are concurrently acting as the executive shareholders or board directors of such company; and (4) the</p>	<p>Subsidiary means, with respect to any company, (1) the entity, one-half or more of whose total number of the voting shares or the total amount of the capital stock are directly or indirectly held by such company; (2) the entity that such company has a direct or indirect control over its personnel, financial or business operation; (3) the entity, one-half or more of whose executive shareholders or board directors are concurrently acting as the executive shareholders or board directors of such company; and (4) the</p>	<p>The revision is made based on Chapter 6-1 of the ROC Company Act (the "Company Act").</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	entity, one-half or more of whose total number of <u>issued</u> voting shares or the total amount of the capital stock are held by the same shareholder(s) of such company;	entity, one-half or more of whose total number of voting shares or the total amount of the capital stock are held by the same shareholder(s) of such company;	
Article 2(a)(xxxviii)	supermajority resolution a resolution adopted by a vote of the Members who represent one-half or more of the total number of <u>issued</u> shares entitled to vote at a general meeting attended by Members who represent two-thirds or more of the total <u>number of</u> issued shares of the Company or, if the total number of shares represented by the Members present at the general meeting is less than two-thirds of the total <u>number of</u> issued shares of the Company, but more than one-half of the total <u>number of</u> issued shares of the Company, means instead, a resolution adopted at such general meeting by the Members who represent two-thirds or more of the total number of <u>issued</u> shares entitled to vote on such resolution;	supermajority resolution a resolution adopted by a vote of the Members who represent one-half or more of the total number of shares entitled to vote at a general meeting attended by Members who represent two-thirds or more of the total issued shares of the Company or, if the total number of shares represented by the Members present at the general meeting is less than two-thirds of the total issued shares of the Company, but more than one-half of the total issued shares of the Company, means instead, a resolution adopted at such general meeting by the Members who represent two-thirds or more of the total number of shares entitled to vote on such resolution;	The revision is made based on Chapter 6-1 of the Company Act.
Article 10.3	The Directors may suspend the registration of transfers for a period not less than the minimum period of time immediately preceding a general	The Directors may suspend the registration of transfers for a period not less than the minimum period of time immediately preceding a general	Wording change.

Number of Article	After the Amendment	Before the Amendment	Explanation
	meeting, as prescribed by the Applicable Public Company Rules <u>(the "Book Closure Period")</u> .	meeting, as prescribed by the Applicable Public Company Rules.	
Article 14.6	<u>Any one or more Member(s) may convene an extraordinary general meeting, provided that such Member or Members have continuously held more than 50% of the total issued and outstanding shares of the Company for a period of three months or more. The number of the shares held by a Member and the period of which a Member holds such shares, shall be calculated and determined based on the Register of Members as of the first day of the Book Closure Period.</u>	(New Article)	The provision is added in order to reflect the newly amended Article 173-1 of the Company Act as required by the Shareholders' Right Protection Checklist of the Taiwan Stock Exchange (the "Checklist").
Article 14.7	<u>If the Board does not or is unable to convene a general meeting (including the annual general meeting) or it is for the Company's benefit, the Independent Director who is a member of the Audit Committee may convene a general meeting when necessary.</u>	(New Article)	The provision is added in order to reflect the newly amended Article 220 of the Company Act as required by the Checklist.
Article 15.3	The Board may fix any date as the record date for determining the Members entitled to receive notice of and to vote at any general meeting of the Company	The Board may fix any date as the record date for determining the Members entitled to receive notice of and to vote at any general meeting of the Company	The "Book Closure Period" is defined in Article 10.3 and therefore the second half of the provision

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>in accordance with Applicable Public Company Rules and close its Register of Members accordingly in accordance with Applicable Public Company Rules.</p>	<p>in accordance with Applicable Public Company Rules and close its Register of Members accordingly in accordance with Applicable Public Company Rules <u>but, unless so fixed, as regards the entitlement to receive notice of a meeting or notice of any other matter, the record date shall be the date of despatch of the notice and, as regards the entitlement to vote at a meeting, and any adjournment thereof, the record date shall be the date of the original meeting.</u></p>	<p>may be removed.</p>
<p>Article 15.7</p>	<p>Subject to Applicable Public Company Rules and the Law, ad hoc motions may be proposed by Members in general meetings; provided, however, that matters pertaining to (a) election or removal of Directors, (b) amendment of the Memorandum or Articles, <u>(c) capital deduction, (d) application to terminate the public offering of the shares, (e) dissolution, Merger, share swap</u> or spin-off, <u>(f) entering into, amending, or terminating any contract for lease of the Company's business in</u></p>	<p>Subject to Applicable Public Company Rules and the Law, ad hoc motions may be proposed by Members in general meetings; provided, however, that matters pertaining to (a) election or removal of Directors, (b) amendment of the Memorandum or Articles, and (c) <u>(i) dissolution, Merger or spin-off, (ii) entering into, amending, or terminating any contract for lease of the Company's business in whole, or the delegation of management of the Company's business to others or the regular joint</u></p>	<p>The provision is revised in order to reflect the newly amended Paragraph 5, Article 172 of the Company Act as required by the Checklist.</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>whole, or the delegation of management of the Company's business to others or the regular joint operation of the Company with others, <u>(g)</u> transfer of the business or assets of the Company, in whole or in any essential part, <u>(h)</u> the acquisition or assumption of the transfer of the whole business or assets of a third party, which has a material effect on the operation of the Company <u>(i) Private Placement of any equity-type securities issued by the Company,</u> <u>(j)</u> ratification of an action by Director(s) who engage(s) in business for him/herself or on behalf of another person that is within the scope of the Company's business, <u>(k)</u> payment of dividends or bonuses in whole or in part by way of issuance of new shares, <u>and (l)</u> distribution of Capital Reserve in the form of new shares or cash to its Members in accordance with Article 59, shall be indicated in the notice of general meeting, with a summary of the material content to be discussed, and shall not be brought up as an ad hoc motion.</p> <p><u>The major content of the above matters can be announced at the</u></p>	<p>operation of the Company with others, <u>(iii)</u> transfer of the business or assets of the Company, in whole or in any essential part, <u>(iv)</u> the acquisition or assumption of the transfer of the whole business or assets of a third party, which has a material effect on the operation of the Company, <u>and (d)</u> ratification of an action by Director(s) who engage(s) in business for him/herself or on behalf of another person that is within the scope of the Company's business, <u>(e)</u> payment of dividends or bonuses in whole or in part by way of issuance of new shares, <u>(f)</u> distribution of Capital Reserve in the form of new shares or cash to its Members in accordance with Article 59 <u>and (g) Private Placement of any equity-type securities issued by the Company,</u> shall be indicated in the notice of general meeting, with a summary of the material content to be discussed, and shall not be brought up as an ad hoc motion.</p>	

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>website designated by the ROC securities authority or by the Company, and the Company shall specify the link to the website in the notice of the relevant general meeting.</u></p>		
Article 15.8	<p>The Board shall keep a copy of the Articles, minutes of general meetings, financial statements, the Register of Members, and the counterfoil of any corporate bonds issued by the Company at the Registered Office (if applicable) and the Shareholders' Service Agent. The Members may request, from time to time, by submitting document(s) evidencing his/her interests involved and indicating the designated scope of the inspection, access to review, <u>transcribe</u> or make copies of the foregoing documents. <u>If the relevant documents are kept by the Company's stock affairs agent, upon the request of any Member, the Company shall order the Company's stock affairs agent to provide such Member with the requested documents.</u></p>	<p>The Board shall keep a copy of the Articles, minutes of general meetings, financial statements, the Register of Members, and the counterfoil of any corporate bonds issued by the Company at the Registered Office (if applicable) and the Shareholders' Service Agent. The Members may request, from time to time, by submitting document(s) evidencing his/her interests involved and indicating the designated scope of the inspection, access to <u>inspect</u>, review or make copies of the foregoing documents.</p>	<p>The provision is revised in order to reflect the newly amended Article 210 of the Company Act as required by the Checklist.</p>
Article 15.10	<p><u>If the general meeting is convened by the Board</u></p>	(New Article)	<p>The provision is added in order</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>and other person entitled to convene a general meeting in accordance with these Articles or any applicable law, the Board and such person may request the Company or the Company's stock affairs agent to provide the Register of Members. Upon the request, the Company shall (and shall order the Company's stock affairs agent to) provide the Register of Members.</u></p>		<p>to reflect the newly amended Article 210-1 of the Company Act as required by the Checklist.</p>
Article 16.1	<p>A notice may be given by the Company to any Member either by delivering it to such Member in person or by sending it to such Member's address in the Register of Members or to such other address given for the purpose. For the purposes of this Article, a notice may be sent by letter mail, courier service, facsimile, electronic mail or other mode of representing words in a legible form. <u>The notice of the general meeting to be given to shareholders who own less than 1,000 shares may be given in the form of a public announcement stipulated in the Applicable Public Company Rules; for an annual general meeting and an extraordinary</u></p>	<p>A notice may be given by the Company to any Member either by delivering it to such Member in person or by sending it to such Member's address in the Register of Members or to such other address given for the purpose. For the purposes of this Article, a notice may be sent by letter mail, courier service, facsimile, electronic mail or other mode of representing words in a legible form.</p>	<p>The provision is revised in order to reflect Article 26-2 of the ROC Securities and Exchange Act (the "SEA").</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>general meeting, such public announcement shall be made thirty days and fifteen days prior to the meeting, respectively.</u></p>		
Article 18.6	<p>Member(s) holding 1% or more of the total number of the issued shares immediately prior to the relevant <u>Book Closure Period</u> may propose to the Company <u>in writing or any electronic means designated by the Company</u> a matter for discussion at an annual general meeting. The Company shall give a public notice in such manner and at such time as permitted by Applicable Law specifying the place and a period of not less than ten days for Members to submit proposals. The Board <u>shall</u> include the proposal in the agenda of the annual general meeting <u>unless</u> (a) the proposing Member(s) holds less than 1% of the total number of the issued shares, (b) the subject matter of such proposal may not be resolved by a general meeting <u>or the proposal exceeds 300 Chinese words</u>; (c) the proposing Member has proposed more than one proposal; or (d) the proposal is submitted to</p>	<p>Member(s) holding 1% or more of the total number of the issued shares immediately prior to the relevant <u>book close period, during which the Company closed its Register of Members, may by a written proposal</u> to the Company <u>propose</u> a matter for discussion at an annual general meeting. The Company shall give a public notice in such manner and at such time as permitted by Applicable Law specifying the place and a period of not less than ten days for Members to submit proposals. The Board <u>may refuse to</u> include the proposal in the agenda of the annual general meeting <u>where</u> (a) the proposing Member(s) holds less than 1% of the total number of the issued shares, (b) <u>where</u> the subject matter of such proposal may not be resolved by a general meeting; (c) the proposing Member has proposed more than one proposal; or (d) the proposal is submitted to the Company <u>after</u> the</p>	<p>The provision is revised in order to reflect the newly amended Article 172-1 of the Company Act as required by the Checklist.</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>the Company <u>outside</u> the <u>period</u> fixed and announced by the Company for accepting Member(s)' proposal(s); <u>however if the purpose of the proposal is to urge the Company to promote public interests or fulfil its social responsibility, the Board may, notwithstanding the above (a) to (d), accept such proposal.</u></p>	<p><u>date</u> fixed and announced by the Company for accepting Member(s)' proposal(s).</p>	
Article 21.2	<p>Except for trust enterprises organized under the laws of the ROC or a securities agent approved pursuant to the Applicable Public Company Rules, in the event a person acts as the proxy for two or more Members, the sum of shares entitled to be voted as represented by such proxy shall be no more than 3% of the total voting shares immediately prior to the relevant <u>Book Closure Period</u>; any vote in respect of the portion in excess of such 3% threshold shall not be counted.</p>	<p>Except for trust enterprises organized under the laws of the ROC or a securities agent approved pursuant to the Applicable Public Company Rules, in the event a person acts as the proxy for two or more Members, the sum of shares entitled to be voted as represented by such proxy shall be no more than 3% of the total voting shares immediately prior to the relevant <u>book closed period, during which the Company closes its Register of Members</u>; any vote in respect of the portion in excess of such 3% threshold shall not be counted.</p>	The "Book Closure Period" is defined in Article 10.3.
Article 29.2	<p>Unless otherwise approved by GTSM or TWSE (as applicable), the number of Directors having a spousal relationship or <u>Family</u></p>	<p>Unless otherwise approved by GTSM or TWSE (as applicable), the number of Directors having a spousal relationship or <u>familial</u></p>	Wording change.

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>Relationship</u> within <u>Second Degree of Kinship</u> with any other Directors shall be less than half of the total number of Directors.</p>	<p><u>relationship</u> within <u>the second degree of kinship</u> with any other Directors shall be less than half of the total number of Directors.</p>	
Article 33.1	<p>The office of Director shall be vacated if the Director:</p> <p>(a) is removed from office pursuant to these Articles;</p> <p>(b) is or becomes of unsound mind or an order for his detention is made under the Mental Health Law of the Cayman Islands or any analogous law of a jurisdiction outside the Cayman Islands, or dies;</p> <p>(c) resigns his office by notice in writing to the Company;</p> <p>(d) having committed an offence as specified in the ROC statute of prevention of organizational crimes and subsequently adjudicated guilty by a final judgment, and <u>(i) has not started serving the sentence, or (ii) has not completed serving the sentence, or (iii) the time elapsed after completion of serving the sentence or expiration of the probation is less than five years, or (iv) the</u></p>	<p>The office of Director shall be vacated if the Director:</p> <p>(a) is removed from office pursuant to these Articles;</p> <p>(b) is or becomes of unsound mind or an order for his detention is made under the Mental Health Law of the Cayman Islands or any analogous law of a jurisdiction outside the Cayman Islands, or dies;</p> <p>(c) resigns his office by notice in writing to the Company;</p> <p>(d) having committed an offence as specified in the ROC statute of prevention of organizational crimes and subsequently adjudicated guilty by a final judgment, and the time elapsed after <u>he has served the full term of the sentence</u> is less than five years;</p> <p>(e) having committed an offence involving fraud, breach of trust or misappropriation and subsequently punished with imprisonment for a</p>	<p>The provision is revised in order to reflect the newly amended Article 30 of the Company Act as required by the Checklist.</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>time elapsed after being pardoned</u> is less than five years;</p> <p>(e) having committed an offence involving fraud, breach of trust or misappropriation and subsequently punished with imprisonment for a term of more than one year, and <u>(i) has not started serving the sentence, or (ii) has not completed serving the sentence, or (iii) the time elapsed after completion of serving the sentence or expiration of the probation is less than two years, or (iv) the time elapsed after being pardoned</u> is less than two years;</p> <p>(f) having been adjudicated guilty by a final judgment for <u>committing offenses under the Anti-Corruption Act of the ROC, and (i) has not started serving the sentence, or (ii) has not completed serving the sentence, or (iii) the time elapsed after completion of serving the sentence or expiration of the probation is less than two years, or (iv) the time elapsed after being pardoned</u> is less than two years;</p>	<p>term of more than one year, and the time elapsed after <u>he has served the full term of such sentence</u> is less than two years;</p> <p>(f) having been adjudicated guilty by a final judgment for <u>misappropriating public funds during the time of his public service, and the time elapsed after he has served the full term of such sentence</u> is less than two years;</p> <p><u>(g)</u> having been dishonored for unlawful use of credit instruments, and the term of such sanction has not expired yet;</p> <p><u>(h)</u> dies or becomes bankrupt, <u>or makes any arrangement or composition with his creditors generally; or</u></p> <p><u>(i)</u> an order is made by any competent court or official on the grounds that he is or will be suffering from mental disorder or is otherwise incapable of managing his/her affairs, or his/her legal capacity is restricted according to the applicable laws.</p> <p>In the event that the foregoing events described in clauses (d), (e), (f), (g), (h) or <u>(i)</u> has</p>	

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>(g) <u>dies or becomes bankrupt, or the court has declared a liquidation process in connection with the Director has not been reinstated to his rights and privileges ;</u></p> <p>(h) having been dishonored for unlawful use of credit instruments, and the term of such sanction has not expired yet;</p> <p>(i) <u>the Director has been adjudicated of the commencement of assistantship (as defined under the Civil Code of the ROC) or similar declaration and such assistantship/declarati on having not been revoked yet; or</u></p> <p>(j) an order is made by any competent court or official on the grounds that he is or will be suffering from mental disorder or is otherwise incapable of managing his/her affairs, or his/her legal capacity is restricted according to the applicable laws.</p> <p>In the event that the foregoing events described in clauses (d), (e), (f), (g), (h), <u>(i)</u> or <u>(j)</u> has occurred in relation to a Director elect, such Director elect shall be</p>	<p>occurred in relation to a Director elect, such Director elect shall be disqualified from being elected as a Director.</p>	

Number of Article	After the Amendment	Before the Amendment	Explanation
	disqualified from being elected as a Director.		
Article 33.2	In case a Director <u>(other than an Independent Director)</u> has, during the term of office as a Director <u>(other than an Independent Director)</u> , transferred more than one half of the Company's shares being held by him at the time he is elected, he shall, ipso facto, be removed automatically from the position of Director with immediate effect and no shareholders' approval shall be required.	In case a Director has, during the term of office as a Director, transferred more than one half of the Company's shares being held by him at the time he is elected, he shall, ipso facto, be removed automatically from the position of Director with immediate effect and no shareholders' approval shall be required.	The provision is revised in order to reflect Paragraph 5, Article 14-2 of the SEA as required by the Checklist.
Article 33.3	If any Director <u>(other than an Independent Director)</u> has, after having been elected as a Director and before his inauguration of the office of director, transferred more than one half of the Company's shares being held by him at the time of his election as a Director, then he shall immediately cease to be a Director and no shareholders' approval shall be required. If any Director <u>(other than an Independent Director)</u> has transferred more than one half of the Company's shares then being held by him within the <u>Book Closure Period</u> prior to a shareholders' meeting, then he shall	If any Director has, after having been elected as a Director and before his inauguration of the office of director, transferred more than one half of the Company's shares being held by him at the time of his election as a Director, then he shall immediately cease to be a Director and no shareholders' approval shall be required. If any Director has transferred more than one half of the Company's shares then being held by him within the <u>share transfer prohibition period</u> prior to a shareholders' meeting <u>according to the Applicable Public Company Rules</u> , then he	The provision is revised in order to reflect Paragraph 5, Article 14-2 of the SEA as required by the Checklist.

Number of Article	After the Amendment	Before the Amendment	Explanation
	immediately cease be a Director and no shareholders' approval shall be required.	shall immediately cease be a Director and no shareholders' approval shall be required.	
Article 43.2	<p>A Director who is directly or indirectly interested in a contract or proposed contract or arrangement with the Company shall declare the nature of such interest as required by law. Notwithstanding anything to the contrary contained in this Article 43, a Director who has a personal interest in the matter under discussion at a meeting of the Board shall declare the nature of and the essential contents of his interest at the relevant meeting of the Board. <u>Where the spouse, the person having the Family Relationship within Second Degree of Kinship with a Director, or any company which has a controlling or controlled relation with a Director has interests in the matters under discussion in the meeting of the Directors, such Director shall be deemed to have a personal interest in the matter. The terms "controlling" and "controlled" shall be interpreted in accordance with the Applicable Public Company Rules.</u></p>	<p>A Director who is directly or indirectly interested in a contract or proposed contract or arrangement with the Company shall declare the nature of such interest as required by law. Notwithstanding anything to the contrary contained in this Article 43, a Director who has a personal interest in the matter under discussion at a meeting of the Board shall declare the nature of and the essential contents of his interest at the relevant meeting of the Board.</p>	<p>The provision is revised in order to reflect the newly amended Paragraph 3, Article 206 of the Company Act as required by the Checklist.</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
Article 44.3	In addition to and without prejudice to members' right to commence derivative actions as permitted under the law of the Cayman Islands, members continuously holding <u>1%</u> or more of the total issued shares of the Company for <u>six months</u> or longer may:	In addition to and without prejudice to members' right to commence derivative actions as permitted under the law of the Cayman Islands, members continuously holding <u>3%</u> or more of the total issued shares of the Company for <u>one year</u> or longer may:	The provision is revised in order to reflect the newly amended Article 214 of the Company Act as required by the Checklist.
Article 56.1(1)	If there are profits in a given year, the Company shall first make up the losses for the previous years, and then set aside a special surplus reserve as required by the competent securities authority under the Applicable Public Company Rules. If the balance is positive and the <u>Board decides</u> to distribute profits, <u>the Board</u> shall make a proposal for profit distribution for approval by the Members by the sanction of an ordinary resolution or in the case of Article 11.4(d), a supermajority resolution, in annual general meetings. The profit distribution shall follow the ratios below: (1) no more than 2% as employees' bonus; (2) no more than 2% as directors and supervisors' bonus; and (3) no less than 10% as	If there are profits in a given year, the Company shall first make up the losses for the previous years, and then set aside a special surplus reserve as required by the competent securities authority under the Applicable Public Company Rules. If the balance is positive, <u>subject to the Law</u> and the <u>Applicable Public Company Rules, the Board may decide whether</u> to distribute profits. <u>If it decides to do so, it</u> shall make a proposal for profit distribution for approval by the Members by the sanction of an ordinary resolution or in the case of Article 11.4(d), a supermajority resolution, in annual general meetings. The profit distribution shall follow the ratios below: (1) no more than 2% as	Wording changes based on Article 235-1 and Chapter 6-1 of the Company Act.

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>dividend to be paid to the Members in proportion to the number of shares held by them. In addition, the Board may make proposals for the distribution of the accumulated undistributed earnings from the previous years after taking into account the actual operations, future capital expenditures or other material matters related to the operations.</p>	<p>employees' bonus; (2)no more than 2% as directors and supervisors' bonus; and (3)no less than 10% as dividend to be paid to the Members in proportion to the number of shares held by them. In addition, the Board may make proposals for the distribution of the accumulated undistributed earnings from the previous years after taking into account the actual operations, future capital expenditures or other material matters related to the operations.</p>	
Article 65	<p><u>Social Responsibilities</u> <u>When the Company conducts the business,</u> <u>the Company shall comply with the laws and regulations as well as business ethics and shall take actions which will promote public interests in order to fulfill its social responsibilities.</u></p>	(New Article)	<p>The provision is added in order to reflect the newly amended Paragraph 2, Article 1 of the Company Act as required by the Checklist.</p>

Apex International Co., Ltd.

Comparison Table of Amendments to “Procedures for the Acquisition or Disposal of Assets”

Number of Article	After the Amendment	Before the Amendment	Explanation
Article 1	<p>For purposes of enhancing the Corporation's asset management and effecting public disclosure of information, these Procedures for the Acquisition or Disposal of Assets ("Procedures") are adopted in accordance with Article 36-1 of the Securities and Exchange Act and the Regulations Governing the Acquisition or Disposal of Assets by Public Companies issued by the Securities and Futures Bureau of the Financial Supervisory Commission</p> <p><u>("FSC"). The Corporation shall handle the acquisition or disposal of assets in compliance with these Procedures. If financial laws or regulations provide otherwise, such provisions shall govern.</u></p>	<p>For purposes of enhancing the Corporation's asset management and effecting public disclosure of information, these Procedures for the Acquisition or Disposal of Assets ("Procedures") are adopted in accordance with Article 36-1 of the Securities and Exchange Act and the Regulations Governing the Acquisition or Disposal of Assets by Public Companies issued by the Securities and Futures Bureau of the Financial Supervisory Commission.</p>	Added the description to clarify the Procedures
Article 2	<p>1. The term "assets" in these Procedures shall apply to the following: [(1)~(4) are unamended] <u>(5) Right-of-use assets</u> <u>(6) Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).</u> <u>(7) Derivatives.</u> <u>(8) Assets acquired or disposed of through lawful mergers, demergers, acquisitions, or share transfers.</u> <u>(9) Other major assets.</u></p>	<p>1. The term "assets" in these Procedures shall apply to the following: [(1)~(4) are unamended] <u>(5) Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).</u> <u>(6) Derivatives.</u> <u>(7) Assets acquired or disposed of through lawful mergers, demergers, acquisitions, or share transfers.</u> <u>(8) Other major assets.</u> 2. The terms in these</p>	The revision is made based on the regulation of leasing of IFRS 16, added the subparagraph 5.

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>2. The terms in these Procedures are defined as follows:</p> <p>(1) Derivatives: Refers to forward contracts, options contracts, futures contracts, leverage contracts, <u>or</u> swap contracts, whose value is derived from <u>a specified interest rates, financial instrument price, commodity price, foreign exchange rates, indexes of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives</u>. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (or sales) agreements.</p> <p>(2) Assets acquired or disposed of through lawful mergers, demergers, acquisitions, or share transfers: 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 to transfers of shares from another company for which new shares of its own are issued as consideration (hereinafter, "share transfer")</p>	<p>Procedures are defined as follows:</p> <p>(1) Derivatives: Refers to forward contracts, options contracts, futures contracts, leverage contracts, <u>and</u> swap contracts, <u>and compound contracts combining the above products</u>, whose value is derived from <u>assets</u>, interest rates, foreign exchange rates, indexes <u>or other interests</u>. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (or sales) agreements.</p> <p>(2) Assets acquired or disposed of through lawful mergers, demergers, acquisitions, or share transfers: 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 to transfers of shares from another company for which new shares of its own are issued as consideration (hereinafter, "share transfer")</p>	<p>The revision is made based on the definition of derivatives of IFRS 9.</p> <p>The revision is made based on the revised</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>under Article 156-<u>3</u>, of the Company Act.</p> <p>[(3)~(6) are unamended]</p> <p><u>(7) Investment professional: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures commission merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located.</u></p> <p><u>(8) Securities exchange: "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.</u></p> <p><u>(9) Over-the-counter venue ("OTC venue", "OTC"): "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign</u></p>	<p>under Article 156, <u>paragraph 6</u> of the Company Act.</p> <p>[(3)~(6) are unamended]</p>	<p>article number of Company Act.</p> <p>The revision is made based on the revised Article 4 of Regulations Governing the Acquisition and Disposal of Assets by Public Companies ("Regulations")</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>OTC venue" refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.</u></p> <p><u>(10)Total asset: Refers the total asset of the latest financial report which is prepared based on the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The terms do not define in the Procedures will follow the definitions of the Regulations Governing the Acquisition or Disposal of Assets by Public Companies issued by FSC.</u></p>		
Article 3	<p>2. Real property, <u>equipment or right-of-use assets</u>: Prices for the acquisition or disposal of real property, <u>equipment, or right-of-use assets</u> shall be determined through negotiation, with reference to the announced current value and assessed value of the property and the actual transaction prices of neighboring real properties; in acquisition or disposal of equipment, the Corporation shall first collect relevant price information and make a price determination through one of three methods, either price comparison, price negotiation, or call for tenders.</p> <p>When the Corporation acquires or disposes of real property, <u>equipment, or</u></p>	<p>2. Real property <u>or</u> equipment: Prices for the acquisition or disposal of real property shall be determined through negotiation, with reference to the announced current value and assessed value of the property and the actual transaction prices of neighboring real properties; in acquisition or disposal of equipment, the Corporation shall first collect relevant price information and make a price determination through one of three methods, either price comparison, price negotiation, or call for tenders.</p> <p>When the Corporation acquires or disposes of real property <u>or</u> equipment if the</p>	The revision is made based on the regulation of leasing of IFRS 16.

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>right-of-use assets</u> if the transaction amount reaches 20 percent of paid-in capital or NT\$300 million or more, except in transactions with a <u>domestic</u> government agencies, hiring others to build on its own land, hiring others to build on rented land, or acquiring or disposing of operating machinery and equipment <u>or right-of-use assets</u>, it shall first obtain an appraisal report from a professional appraiser and shall further comply with the following provisions:</p> <p>(1) Where due to special circumstances it is necessary to use a limited price, specified price, or special price as reference criteria for the transaction price, the transaction shall first be submitted for approval by the board of directors, and the same procedure shall be followed <u>whenever there is any subsequent</u> changes to the terms and conditions of the transaction.</p> <p>[(2)~(4) are unamended]</p> <p>3. <u>Intangible assets, right-of-use assets</u> or Membership certificates When acquiring or disposing of membership certificates, the Corporation shall first collect relevant price information and use one of two methods, price comparison or price negotiation, to effect acquisition or disposal. When acquiring or disposing of intangible assets, the</p>	<p>transaction amount reaches 20 percent of paid-in capital or NT\$300 million or more, except in transactions with a government agencies, hiring others to build on its own land, hiring others to build on rented land, or acquiring or disposing of operating machinery and equipment, it shall first obtain an appraisal report from a professional appraiser and shall further comply with the following provisions:</p> <p>(1) Where due to special circumstances it is necessary to use a limited price, specified price, or special price as reference criteria for the transaction price, the transaction shall first be submitted for approval by the board of directors, and the same procedure shall be followed <u>for any future</u> changes to the terms and conditions of the transaction.</p> <p>[(2)~(4) are unamended]</p> <p>3. Membership certificates <u>or Intangible assets</u> When acquiring or disposing of membership certificates, the Corporation shall first collect relevant price information and use one of two methods, price comparison or price negotiation, to effect acquisition or disposal. When acquiring or disposing of intangible assets, the Corporation shall also</p>	

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>Corporation shall also collect relevant price information, and shall make a careful assessment of the relevant laws and regulations and the content of the contract in order to decide the transaction price. When a transaction amount for acquisition or disposal of intangible assets or its right-of-use assets or membership certificates reaches 20 percent of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Corporation shall seek an opinion from a CPA on the reasonableness of the transaction price. The CPA shall issue its opinion in accordance with the provisions of the Statement of Auditing Standards No. 20 issued by the ARDF.</p>	<p>collect relevant price information, and shall make a careful assessment of the relevant laws and regulations and the content of the contract in order to decide the transaction price. When a transaction amount for acquisition or disposal of membership certificates or intangible assets reaches 20 percent of paid-in capital or NT\$300 million or more, except in transactions with a government agency, the Corporation shall seek an opinion from a CPA on the reasonableness of the transaction price. The CPA shall issue its opinion in accordance with the provisions of the Statement of Auditing Standards No. 20 issued by the ARDF.</p>	
Article 4	<p>2. Amount limits (1) The total amount of any real property or right-of-use assets purchased by the Corporation for non-business use may not exceed 20 percent of the Corporation's net worth; the total amount of any real property purchased by a subsidiary of the Corporation for non-business use may not exceed 20 percent of the Corporation's net worth, and may not exceed the subsidiary's net worth. (2)~(4) are unamended</p>	<p>2. Amount limits (1) The total amount of any real property purchased by the Corporation for non-business use may not exceed 20 percent of the Corporation's net worth; the total amount of any real property purchased by a subsidiary of the Corporation for non-business use may not exceed 20 percent of the Corporation's net worth, and may not exceed the subsidiary's net worth. (2)~(4) are unamended</p>	The revision is made based on the regulation of leasing of IFRS 16.
Article 5	For any appraisal report or	For any appraisal report or	The revision is

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>any written opinion from a CPA, attorney, or securities underwriter obtained by the Corporation, the professional appraiser and appraiser's officers, CPA, attorney, or securities underwriter <u>shall meet the following requirements:</u></p> <p>1. <u>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 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.</u></p> <p>2. <u>May not be a related party or de facto related party of any party to the transaction.</u></p> <p>3. <u>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</u></p>	<p>any written opinion from a CPA, attorney, or securities underwriter obtained by the Corporation, the professional appraiser and appraiser's officers, CPA, attorney, or securities underwriter <u>may not be a related party of the trading counterparty.</u></p>	<p>made based on the revised Article 5 of Regulation.</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>other.</u></p> <p><u>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</u></p> <ol style="list-style-type: none"> <u>1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</u> <u>2. 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 working papers.</u> <u>3. 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.</u> <u>4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is</u> 		

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>reasonable and accurate, and that they have complied with applicable laws and regulations.</u></p>		
Article 7	<p>When the Corporation intends to acquire or dispose of real property <u>or right-of-use assets</u> from or to a related party, or when it intends to acquire or dispose of assets other than real property <u>or right-of-use assets</u> from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Corporation'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 redemption of money market funds issued by domestic securities investment trust enterprises, the Corporation may not proceed until the following matters have been deliberated by Audit Committee and approved by the board of directors:</p> <p>[1~2 are unamended]</p> <p>3. <u>With respect to the acquisition of real property or right-of-use assets from a related party,</u> information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with the provisions of Articles 8 through 10.</p> <p>[4~7 are unamended]</p>	<p>When the Corporation intends to acquire or dispose of real property from or to a related party, or when it intends to acquire or dispose of assets other than real property from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Corporation'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 redemption of money market funds issued by domestic securities investment trust enterprises, the Corporation may not proceed until the following matters have been deliberated by Audit Committee and approved by the board of directors:</p> <p>[1~2 are unamended]</p> <p>3. Information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with the provisions of Articles 8 through 10.</p> <p>[4~7 are unamended]</p>	<p>The revision is made based on the regulation of leasing of IFRS 16.</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
Article 8	<p>When acquiring real property <u>or right-of-use assets</u> from a related party, the Corporation shall assess the reasonableness of the transaction costs by the following methods:</p> <p>[1~2 are unamended]</p> <p>When land and structures thereon are combined as a single property purchased <u>or leased</u> in one transaction, separate appraisals of the transaction costs for the land and the structures may be carried in accordance with either of the means listed in the preceding paragraph.</p> <p>When the Corporation acquires real property <u>or right-of-use assets</u> from a related party and appraises the cost of the real property <u>or right-of-use assets</u> in accordance with the provisions of <u>preceding two paragraphs</u>, it shall also engage a CPA to conduct a secondary review and render a specific opinion.</p> <p>When the Corporation acquires real property <u>or right-of-use assets</u> from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with the provisions of Article <u>Z</u> and the provisions of the preceding three paragraphs shall not apply:</p> <p>1. The related party acquired the real property <u>or right-of-use assets</u> through inheritance or as</p>	<p>When acquiring real property from a related party, the Corporation shall assess the reasonableness of the transaction costs by the following methods:</p> <p>[1~2 are unamended]</p> <p>When land and structures thereon are combined as a single property purchased in one transaction, separate appraisals of the transaction costs for the land and the structures may be carried in accordance with either of the means listed in the preceding paragraph.</p> <p>When the Corporation acquires real property from a related party and appraises the cost of the real property in accordance with the provisions of paragraph <u>1 and paragraph 2</u>, it shall also engage a CPA to conduct a secondary review and render a specific opinion.</p> <p>When the Corporation acquires real property from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with the provisions of Article <u>9</u> and the provisions of the preceding three paragraphs shall not apply:</p> <p>1. The related party acquired the real property through inheritance or as a gift.</p>	<p>The revision is made based on the regulation of leasing of IFRS 16.</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>a gift.</p> <p>2. More than five years have elapsed from the time the related party <u>or right-of-use assets</u> signed the contract to obtain the real property to the signing date for the current transaction.</p> <p>3. The real property is acquired through signing of a joint development contract with the related party, or hiring others to build on its own land, hiring others to build on rented land.</p> <p><u>4. The real property right-of-use assets for business use are acquired by the public company with its parent or subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.</u></p>	<p>2. More than five years have elapsed from the time the related party signed the contract to obtain the real property to the signing date for the current transaction.</p> <p>3. The real property is acquired through signing of a joint development contract with the related party, or hiring others to build on its own land, hiring others to build on rented land.</p>	
Article 9	<p>When the results of the Corporation's appraisals under paragraph 1 and paragraph 2 of the preceding Article are all lower than the proposed transaction price, the matter shall be handled in accordance with Article 10. Where the following circumstances exist, however, and the Corporation puts forward objective evidence and obtains specific opinions on reasonableness from a professional real property appraiser and a CPA, the</p>	<p>When the results of the Corporation's appraisals under paragraph 1 and paragraph 2 of the preceding Article are all lower than the proposed transaction price, the matter shall be handled in accordance with Article 10. Where the following circumstances exist, however, and the Corporation puts forward objective evidence and obtains specific opinions on reasonableness from a professional real property appraiser and a CPA, the</p>	

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>above condition shall not apply:</p> <p>1. Where the related party has acquired undeveloped land or leased land for development, it may submit proof that the transaction complies with one of the following conditions:</p> <p>[(1) is unamended]</p> <p>(2) There are cases of 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 discrepancies in the prices of different floors or districts in accordance with standard property market practices <u>or</u> <u>leasing</u> practices.</p>	<p>above condition shall not apply:</p> <p>1. Where the related party has acquired undeveloped land or leased land for development, it may submit proof that the transaction complies with one of the following conditions:</p> <p>[(1) is unamended]</p> <p>(2) There are cases of 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 discrepancies in the prices of different floors or districts in accordance with standard property market practices.</p> <p><u>(3) There are cases of leasing transactions completed by unrelated parties for other floors of the same property within the preceding year in which the transaction terms are estimated to be similar based on reasonable price discrepancies among floors in accordance with standard property</u></p>	<p>The revision is made based on the revised Article 17 of Regulations</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>2. The Corporation provides evidence that, for the real property, <u>or obtaining real property right-of-use assets through leasing,</u> or purchasing from a related party, the terms of the transaction are similar to cases of transactions completed in adjacent areas by unrelated parties within the preceding year and the property involved is also similar in area.</p> <p>"Cases of transactions completed in adjacent areas" in the preceding paragraph in principle refers to property on the same or an adjacent block and within a distance of no more than 500 meters or property whose publicly announced current value is similar.</p> <p>"Similar in area" in principle refers to transactions completed by unrelated parties for property with an area of no less than 50 percent of the property in the planned transaction.</p> <p>"Within the preceding year" refers to a preceding period of one year calculated from the actual date of occurrence of the real property <u>or obtainment of the right-of-use assets</u> acquisition.</p>	<p><u>leasing market practices.</u></p> <p>2. The Corporation provides evidence that, for the real property, <u>it purchas</u>es from a related party, the terms of the transaction are similar to cases of transactions completed in adjacent areas by unrelated parties within the preceding year and the property involved is also similar in area.</p> <p>"Cases of transactions completed in adjacent areas" in the preceding paragraph in principle refers to property on the same or an adjacent block and within a distance of no more than 500 meters or property whose publicly announced current value is similar.</p> <p>"Similar in area" in principle refers to transactions completed by unrelated parties for property with an area of no less than 50 percent of the property in the planned transaction.</p> <p>"Within the preceding year" refers to a preceding period of one year calculated from the actual date of occurrence of the real property <u>or obtainment of the right-of-use assets</u> acquisition.</p>	
Article 10	When the Corporation acquires real property <u>or right-of-use assets</u> from a related party and the results of the appraisals under	When the Corporation acquires real property from a related party and the results of the appraisals under Articles 8 and 9 are all	The revision is made based on the regulation of leasing of IFRS

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>Articles 8 and 9 are all lower than the proposed transaction price, the following steps shall be taken:</p> <p>1. A special reserve shall be set aside in accordance with the provisions of Article 41, paragraph 1 of the Securities and Exchange Act against the difference between the real property <u>or right-of-use assets</u> transaction price and the appraised cost, which may not be distributed or used for capital increase or issuance of bonus shares. Where the Corporation uses the equity method to account for its investment in another company, then the special reserve called for under Article 41, paragraph of the Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of the Corporation's equity stake in the other company.</p> <p>[2~3 are unamended] When the Corporation sets aside a special reserve under the preceding paragraph, it may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased <u>or leased</u> at a premium, or they have been disposed of, <u>or the leasing contract has</u></p>	<p>lower than the proposed transaction price, the following steps shall be taken:</p> <p>1. A special reserve shall be set aside in accordance with the provisions of Article 41, paragraph 1 of the Securities and Exchange Act against the difference between the real property transaction price and the appraised cost, which may not be distributed or used for capital increase or issuance of bonus shares. Where the Corporation uses the equity method to account for its investment in another company, then the special reserve called for under Article 41, paragraph of the Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of the Corporation's equity stake in the other company.</p> <p>[2~3 are unamended] When the Corporation sets aside a special reserve under the preceding paragraph, it may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased at a premium, or they have been disposed of, or adequate compensation has been</p>	16.

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>been terminated</u>, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence to confirm there was nothing unreasonable in the transaction, and the FSC has given its consent. When the Corporation acquires or disposes of real property <u>or right-of-use assets</u> against a related party and other evidence indicates that the transaction was at non-arm's length, it shall also comply with the provisions of the preceding two paragraphs.</p>	<p>made, or the status quo ante has been restored, or there is other evidence to confirm there was nothing unreasonable in the transaction, and the <u>Financial Supervisory Commission</u> has given its consent. When the Corporation acquires or disposes of real property against a related party and other evidence indicates that the transaction was at non-arm's length, it shall also comply with the provisions of the preceding two paragraphs.</p>	
Article 17	<p>When the Corporation acquires or disposes of assets under any of the following circumstances, it shall publicly announce and report the relevant information, in accordance with the type of disposal or acquisition, on the SFB's designated website in the appropriate format as prescribed by regulations within two days from the date of occurrence:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of real property <u>or right-of-use assets</u> from or to a related party, or acquisition or disposal of assets other than real property <u>or right-of-use assets</u> from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 	<p>When the Corporation acquires or disposes of assets under any of the following circumstances, it shall publicly announce and report the relevant information, in accordance with the type of disposal or acquisition, on the SFB's designated website in the appropriate format as prescribed by regulations within two days from the date of occurrence:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of real property from or to a related party, or acquisition or disposal of assets other than real property from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Corporation's total assets, 	<p>The revision is made based on the regulation of leasing of IFRS 16 and Article 31 of the Regulation.</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>percent or more of the Corporation's total assets, or NT\$300 million or more; this shall not apply to trading of <u>domestic</u> government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>[2~3 are unamended]</p> <p>4. Where the type of asset acquired or disposed is equipment <u>or right-of-use assets</u> for business use, the trading counterparty is not a related party, and the transaction amount meets any of the following criteria:</p> <p>[A~B are unamended]</p> <p>5. Acquisition or disposal by the Corporation in the construction business of real property <u>or right-of-use assets</u> for construction use, where the trading counterparty is not a related party, and the transaction amount reaches NT\$500 million; <u>among such cases, if the Corporation has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or</u></p>	<p>or NT\$300 million or more; this 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.</p> <p>[2~3 are unamended]</p> <p>4. Where the type of asset acquired or disposed is equipment for business use, the trading counterparty is not a related party, and the transaction amount meets any of the following criteria:</p> <p>[A~B are unamended]</p> <p>5. Acquisition or disposal by the Corporation in the construction business of real property for construction use, where the trading counterparty is not a related party, and the transaction amount reaches NT\$500 million</p>	

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>more.</u></p> <p>6. Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, <u>and furthermore the transaction counterparty is not a related party</u>, and the amount the Company expects to invest in the transaction reaches NT\$500 million.</p> <p>7. Where the amount of an asset transaction other than any of those referred to in the preceding six subparagraphs or a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million. This restriction shall not apply, however, under the following circumstances: (1) Trades in <u>domestic</u> government bonds. (2) Securities trading by investment professionals on securities exchanges or over-the-counter markets, <u>or subscription of ordinary corporate bonds or general bank debentures without equity characteristics</u></p>	<p>6. Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the amount the Company expects to invest in the transaction reaches NT\$500 million.</p> <p>7. Where the amount of an asset transaction other than any of those referred to in the preceding six subparagraphs or a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million. This restriction shall not apply, however, under the following circumstances: (1) Trades in government bonds. (2) Securities trading by investment professionals on foreign or domestic securities exchanges or over-the-counter markets, or subscription of securities by an investment professionals of</p>	

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>(excluding subordinated debt) that are offered and issued in the primary market</u>, or subscription of securities by an investment professionals of ordinary corporate bonds or of general bank debentures without equity characteristics that are offered and issued in the domestic primary market, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>(...)</p>	<p>ordinary corporate bonds or of general bank debentures without equity characteristics that are offered and issued in the domestic primary market, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>(...)</p>	
Article 20	<p>Procedures for controlling the acquisition or disposal of assets by subsidiaries [1~4 are unamended] A subsidiary referred to in the preceding paragraph is subject to the public announcement and reporting standards of Article 17, paragraph 1 concerning reaching paid-in capital <u>or total assets</u>. The standard shall be based on the paid-in capital <u>or total assets</u> amount of the Corporation.</p>	<p>Procedures for controlling the acquisition or disposal of assets by subsidiaries [1~4 are unamended] A subsidiary referred to in the preceding paragraph is subject to the public announcement and reporting standards of Article 17, paragraph 1, <u>subparagraph 5</u> concerning reaching <u>20 percent of</u> paid-in capital. The standard shall be based on the paid-in capital amount of the Corporation.</p>	The revision is made based on the Article 34 of the Regulation.

Apex International Co., Ltd.

Comparison Table of Amendments to “Procedures for the Handling of Derivatives Trading”

Number of Article	After the Amendment	Before the Amendment	Explanation
Article 2	The term "derivatives" in these Procedures means products such as forward contracts, options contracts, futures contracts, leverage contracts, <u>or</u> swap contracts, whose value is derived from <u>a specified</u> interest rates, <u>financial instrument price,</u> <u>commodity price,</u> foreign exchange rates, indices <u>of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives.</u>	The term "derivatives" in these Procedures means products such as forward contracts, options contracts, futures contracts, leverage contracts, <u>and</u> swap contracts whose value is derived from <u>assets,</u> interest rates, foreign exchange rates, indices, <u>or other interests, and compound derivatives formed by combinations of the aforesaid products.</u>	The revision is made based on the definition of derivatives of IFRS 9.

Apex International Co., Ltd.

Comparison Table of Amendments to “Rules and Procedures of Shareholders’ Meeting”

Number of Article	After the Amendment	Before the Amendment	Explanation
Article 2	<p>Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.</p> <p>(...)</p> <p>A shareholder holding 1 percent or more of the total number of issued shares may <u>propose to the Company in writing or any electronic means designated by the Company a matter</u> for discussion at <u>an annual general</u> meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.</p> <p>Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce that it will receive shareholder proposals <u>in writing or by way of electronic transmission</u>, and the location and time period for their submission; the</p>	<p>Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.</p> <p>(...)</p> <p>A shareholder holding 1 percent or more of the total number of issued shares may <u>submit to this Corporation a written proposal</u> for discussion at <u>a regular shareholders</u> meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.</p> <p>Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may</p>	<p>The provision is revised in order to reflect the newly amended Article 172-1 of the Company Act.</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	period for submission of shareholder proposals may not be less than 10 days. (...)	not be less than 10 days. (...)	
Article 13	The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected. (...)	The election of directors <u>or supervisors</u> at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected. (...)	The Amendment is based on the company's operation.