



Apex International Co., Ltd.

(Incorporated in Cayman Islands with limited liability)

2020 Annual General Meeting Minutes

(Translation)

Date: June 5, 2020 at 09:00 AM

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

Total outstanding shares: 189,933,087 shares

Total shares represented by shareholders present in person or by proxy: 146,998,241 shares.

Percentage of shares held by shareholders present in person or by proxy: 77.39%

Directors present:

Independent Director Mr. Yung-Tsai Chen, Independent Director Mr. Chau-Chin Su (Convener of the Audit Committee), Director Mr. Sen-Tien Wu

Chairman: Independent Director Mr. Yung-Tsai Chen

(In order to avoid the risk of COVID-19 infection from the transportation between Taiwan and Thailand, Chairman of the Company, Mr. Shu-Mu Wang, is absent and the majority of the Shareholders present chose Independent Director, Mr. Yung-Tsai Chen, to be chairman of the 2020 Annual General Meeting by raising their hands.)

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) 2019 Operation Report (please refer to Attachment 1).
- (2) 2019 Final Accounting Books and Financial Statements Reviewed by Audit Committee (please refer to Attachment 2).

4. Approval items

- (1) Acceptance of the 2019 Final Accounting Books and Financial Statements (Proposed by the Board of Directors)

Explanation: a. 2019 annual final accounting books and financial statements were audited by CPA Min-Ju Chao and CPA Chun-Shiu Kuang of KPMG who issued unqualified opinion report.

b. For 2019 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: 146,998,241

Voting Results (including votes casted electronically)		% of the total represented share present
Approval votes:	137,371,915 votes	93.45 %
Disapproval votes:	10,981 votes	0.00 %



Voting Results (including votes casted electronically)	% of the total represented share present
Invalid votes: 0 vote	0.00 %
Abstention votes / No votes: 9,615,345 votes	6.54 %

RESOLVED, the proposal was approved after voting.

(2) Acceptance of the 2019 Annual Distribution of Earning of the Company (Proposed by the Board of Directors)

Explanation: a. 2019 audited annual net profit was NT\$ 827,050,584, after adding other comprehensive income NT\$ 3,463,458 caused by revaluation of defined benefit plan and adding retained earnings at end of 2018 NT\$ 1,566,397,484, total distributable retained earnings is NT\$ 2,396,911,526. The Company proposes to distribute NT\$ 569,799,261 as 2019 shareholders' dividend. Total retained earnings after distribution will be NT\$ 1,827,112,265. For profit distribution table, please refer to attachment 4.

b. The Company proposes to distribute NT\$ 3 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 189,933,087 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.

c. Please approve.

Voting Results: Shares represented at the time of voting: 146,998,241

Voting Results (including votes casted electronically)	% of the total represented share present
Approval votes: 137,554,067 votes	93.57 %
Disapproval votes: 14,004 votes	0.00 %
Invalid votes: 0 vote	0.00 %
Abstention votes / No votes: 9,430,170 votes	6.41 %

RESOLVED, the proposal was approved after voting.

5. Discussion items

(1) 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 Corporation's Letter dated December 25, 2019 (Tai-Zheng-Shang-II-1080023568) 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 Attachment 5 for the comparison table of the Amendment.

b. Please discuss.

Voting Results: Shares represented at the time of voting: 146,998,241

Voting Results (including votes casted electronically)		% of the total represented share present
Approval votes:	137,516,046 votes	93.54 %
Disapproval votes:	11,025 votes	0.00 %
Invalid votes:	0 vote	0.00 %
Abstention votes / No votes:	9,471,170 votes	6.44 %

RESOLVED, the 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.

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

Explanation: a. Pursuant to January 02, 2020 Letter No.

Taiwan-Stock-Governance-1080024221 of the Taiwan Stock Exchange Corporation, plans to amend the "Rules and Procedures of Shareholders' Meeting" of the Company. The comparison table of amendments, please refer to Attachment 6.

b. Please discuss.

Voting Results: Shares represented at the time of voting: 146,998,241

Voting Results (including votes casted electronically)		% of the total represented share present
Approval votes:	137,516,041 votes	93.54 %
Disapproval votes:	11,030 votes	0.00 %
Invalid votes:	0 vote	0.00 %
Abstention votes / No votes:	9,471,170 votes	6.44 %

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

- (3) Amendment to the "Procedures for Lending Funds to Other Parties" 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 Lending Funds to Other Parties" of the Company. The comparison table of amendments, please refer to Attachment 7.

b. Please discuss.

Voting Results: Shares represented at the time of voting: 146,998,241



Voting Results (including votes casted electronically)		% of the total represented share present
Approval votes:	137,515,039 votes	93.54 %
Disapproval votes:	12,029 votes	0.00 %
Invalid votes:	0 vote	0.00 %
Abstention votes / No votes:	9,471,173 votes	6.44 %

RESOLVED, the proposal was approved after voting.

- (4) Amendment to the "Procedures for Endorsement and Guarantee" 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 Endorsement and Guarantee" of the Company. The comparison table of amendments, please refer to Attachment 8.

b. Please discuss.

Voting Results: Shares represented at the time of voting: 146,998,241

Voting Results (including votes casted electronically)		% of the total represented share present
Approval votes:	137,516,040 votes	93.54 %
Disapproval votes:	11,030 votes	0.00 %
Invalid votes:	0 vote	0.00 %
Abstention votes / No votes:	9,471,171 votes	6.44 %

RESOLVED, the proposal was approved after voting.

6. Extemporary motions: None

7. Meeting adjourned: June 5, 2020, 09:25 AM

Yung-Tsai Chen
Independent Director

Yu-Ying Tsao
Minutes Taker

Attachments

Attachment 1

Apex International Co., Ltd. 2019 Annual Operating Report

Dear Shareholders,

The Senior Management Team is here to report the operating result of 2019 by this report. Apex extended projects of cost control from 2018, continued to improve manufacturing efficiency and cost management that made our margin improved even though revenue was reduced by China-US and Japan-Korea trade wars. 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 our stakeholders.

1.2019 Business Report

(1) Results of Business Plans Implemented

Amount unit: NT \$million	2019		2018		Change %
	Amount	% to sales	Amount	% to sales	
Total income	10,387	100%	11,175	100%	-7%
Cost of goods sold	8,417	81%	9,354	84%	-10%
Gross Profit	1,970	19%	1,821	16%	8%
Operating income	841	8%	835	7%	1%
Interest Expenses	70	1%	103	1%	-32%
Income before tax	846	8%	841	8%	1%
Net income	831	8%	833	7%	0%

China-US trade war went to deteriorate in 2019 which resulted in global demand slow. Besides, Japan-Korea trade war came after and led our Korean customers re-arranged demand schedule. Those events made our revenue drop slightly comparing to last year. In the same time, changed situation of macroeconomic environment also harmed export business. Under such background, Apex still generated improved margin because of cost management and unstoppable improvement of manufacturing efficiency.

(2) Budget Implementation

Actual sales amount in 2019 was NT\$ 10.4 billion which is 85% of budgeted number 12.2 billion that made achievement percentage of net profit after tax to be 81%.



(3) Financial Structure

Financial Ratio	2019	2018
Debt ratio (%)	36.95%	50.50%
Ratio of long-term capital to fixed assets (%)	137.39%	109.76%
Current ratio (%)	146.02%	110.34%
Receivables turnover ratio (time)	3.17	3.32
Inventory turnover ratio (time)	4.54	5.78
Return on assets ratio (%)	7.40%	7.83%
Return on equity ratio (%)	12.34%	16.00%
Earnings per share (NT dollar)	4.46	5.45

Accompanying continuous profit without significant capital expenditures in 2019, financial structure was improved apparently. Account receivable turnover rate slightly dropped because of reduce of revenue; inventory turnover rate changed because of higher stock volume at end of this year which was prepared for demand of first quarter of Y2020. Profitability slightly dropped because of that equity increased from converted shares of convertible bond.

(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 2019 are as follows:

- IOT for drilling process evaluation had been done
- Auto printing function for solder mask process and faster changing ability
- Lab for reliability ability ready for TCT / CAF / SIR / THB / Material thermal stress analysis

In 2020, Apex will carry out the following plans:

- Gold finger process developing
- MES system developing
- ISO 17025 Qualification of Reliability Lab

2.2020 Business Outlines

(1) Business Policies

- Concentration on the traditional rigid PCB from single-side to 12 layers.
- Increase major customer's allocation to APEX, increase market share.
- Continue to develop new customer and its product.
- Reduce quality defective parts (DPPM) and ensure total customer satisfaction.
- Avoid price erosion by locking in price by half yearly instead of quarterly from price cuts by customers.
- 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 competitors. Meanwhile, Apex will work hard to

maintain competitiveness and progressively develop new customers. Although global demand may slow down caused by corona virus, we still anticipate our revenue could grow in this year.

(3) Production and Marketing Policy

Apex's monthly capacity will reach 580 thousand square meters in Y2020.

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 improving 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 analysis 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 2 on new products so as to improve her profit structure
- (3) Expand the strategic Korean business from the Home-Appliance Division in addition to what Apex has on the LCD-TV/STB today
- (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 complete 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 2020, 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 2019, Apex successfully improved profit founded by her solid and long-term management culture. In 2020, 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 still can 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



Attachment 2

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

Board of Directors has prepared the Company's 2019 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 Act, we hereby submit this report.

Apex International Co., Ltd.

Chairman of Audit Committee: **Su, Chau-Chin**



Date: March 10, 2020



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, 2019 and 2018, the consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2019 and 2018, 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, 2019 and 2018, 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(s) 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. Subsequent measurements of inventories

Please refer to note 4(h) "Inventories" for accounting policy related to subsequent measurements of inventories, note 5 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, 2019 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 Chun-Hsiu Kuang.

KPMG

Taipei, Taiwan (Republic of China)

March 10, 2020

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated statement of financial position, financial performance and 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 Originally Issued in Chinese)

APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2019		December 31, 2018			December 31, 2019		December 31, 2018	
	Amount	%	Amount	%		Amount	%	Amount	%
Assets					Liabilities and Equity				
11xx Current assets:					21xx Current liabilities:				
1100 Cash and cash equivalents (note 6(a))	\$ 299,901	3	410,268	3	2100 Short-term loans (notes 6(f), (i), 7, 8 and 9)	\$ 899,218	8	1,287,170	11
1110 Financial assets measured at fair value through profit or loss—current (notes 6(b), (k) and (q))	3,474	-	4,401	-	2120 Financial liabilities measured at fair value through profit or loss—current (note 6(b))	3,290	-	191	-
1170 Accounts receivable, net (notes 6(c) and (s))	2,871,444	25	3,643,989	30	2170 Accounts payable	1,366,881	12	2,283,616	19
1200 Other receivables (note 6(d))	35,726	-	42,988	-	2200 Other payables (note 7)	385,148	3	427,934	4
130x Inventories (notes 6(e) and 9)	1,800,906	15	1,652,363	14	2213 Payable for machinery and equipment	212,591	2	228,758	2
1479 Other current assets	58,044	-	61,431	1	2230 Current tax liabilities	-	-	872	-
Total current assets	<u>5,069,495</u>	<u>43</u>	<u>5,815,440</u>	<u>48</u>	2280 Current lease liabilities (notes 3(a), 6(f), (g), (l), (m), 7, and 8)	145,310	1	149,677	1
15xx Non-current assets:					2321 Current portion of convertible bonds payable (notes 6(k) and (q))	17,797	-	609,649	5
1510 Financial asset measured at fair value through profit or loss—non current (notes 6(b), (k) and (q))	-	-	170	-	2322 Current portion of long-term loans (notes 6(f), (j), 7, and 8)	422,093	4	262,348	2
1600 Property, plant and equipment (notes 3(a), 6(f), (g), (h), (i), (j), (l), (m), 8 and 9)	6,067,841	52	6,260,130	52	2399 Other current liabilities	19,393	-	19,883	-
1755 Right-of-use asset (notes 3(a), 6(f), (g), (l), 7 and 8)	500,985	4	-	-	Total current liabilities	<u>3,471,721</u>	<u>30</u>	<u>5,270,098</u>	<u>44</u>
1780 Intangible assets (notes 6(f) and (h))	34,924	-	37,879	-	25xx Non-current liabilities:				
1840 Deferred tax assets (note 6(p))	16,109	-	12,227	-	2530 Convertible bonds payable (notes 6(k) and (q))	-	-	44,946	-
1915 Prepayment for equipment	22,157	-	7,364	-	2540 Long-term loans (notes 6(f), (j), 7, and 8)	679,451	6	584,764	5
1920 Refundable deposits	7,928	-	8,137	-	2570 Deferred tax liabilities (note 6(p))	52,180	-	46,242	1
1960 Prepayment for investment (notes 4(c) and 7)	83,251	1	-	-	2580 Non-current lease liabilities (notes 3(a), 6(f), (g), (l), (m), 7, and 8)	99,050	1	122,606	1
1980 Other financial assets—non current (notes 6(a), (j) and 8)	6,202	-	-	-	2612 Long-term payable	11,033	-	21,771	-
Total non-current assets	<u>6,739,397</u>	<u>57</u>	<u>6,325,907</u>	<u>52</u>	2670 Other non-current liabilities (notes 6(m), and (o))	49,968	-	42,025	-
					Total non-current liabilities	<u>891,682</u>	<u>7</u>	<u>862,354</u>	<u>7</u>
					Total liabilities	<u>4,363,403</u>	<u>37</u>	<u>6,132,452</u>	<u>51</u>
				2xxx Equity attributable to owners of parent (notes 6(k), (p) and (q)):					
				31xx Common stock	1,890,409	16	1,702,295	14	
				3200 Capital surplus	2,396,626	20	1,944,448	16	
				3300 Retained earnings	2,697,167	23	2,331,889	19	
				3410 Exchange differences on translation of foreign financial statements	428,276	4	2,661	-	
				Total equity attributable to owners of parent	<u>7,412,478</u>	<u>63</u>	<u>5,981,293</u>	<u>49</u>	
				36xx Non-controlling interests	33,011	-	27,602	-	
				3xxx Total equity	<u>7,445,489</u>	<u>63</u>	<u>6,008,895</u>	<u>49</u>	
1xxx Total assets	<u>\$11,808,892</u>	<u>100</u>	<u>12,141,347</u>	<u>100</u>	2-3xxx Total liabilities and equity	<u>\$11,808,892</u>	<u>100</u>	<u>12,141,347</u>	<u>100</u>

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

APEX INTERNATIONAL CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2019 and 2018

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

	2019		2018	
	Amount	%	Amount	%
4000 Operating revenue (notes 6(s))	\$ 10,387,249	100	11,175,098	100
5000 Operating costs (notes 6(e), (f), (g), (h), (l), (m), (n), and (o))	<u>8,417,242</u>	<u>81</u>	<u>9,354,427</u>	<u>84</u>
5900 Gross profit from operations	<u>1,970,007</u>	<u>19</u>	<u>1,820,671</u>	<u>16</u>
6000 Operating expenses (notes 6(c), (f), (g), (h), (l), (m), (n), (o), (q), and 7):				
6100 Selling expenses	589,868	6	528,797	5
6200 Administrative expenses	503,086	5	457,099	4
6300 Research and development expenses	17,694	-	-	-
6450 Expected credit loss	<u>18,570</u>	<u>-</u>	<u>236</u>	<u>-</u>
Total operating expenses	<u>1,129,218</u>	<u>11</u>	<u>986,132</u>	<u>9</u>
6900 Operating income	<u>840,789</u>	<u>8</u>	<u>834,539</u>	<u>7</u>
7000 Non-operating income and expenses (notes 6(b), (f), (k), (l), (m), (t), and 7):				
7010 Other income	19,026	-	39,890	-
7020 Other gains and losses	56,389	1	69,103	1
7050 Finance costs	<u>(70,299)</u>	<u>(1)</u>	<u>(102,970)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>5,116</u>	<u>-</u>	<u>6,023</u>	<u>-</u>
7900 Profit from continuing operations before tax	845,905	8	840,562	7
7951 Less: Income tax expenses (note 6(p))	<u>15,255</u>	<u>-</u>	<u>7,504</u>	<u>-</u>
8200 Profit	<u>830,650</u>	<u>8</u>	<u>833,058</u>	<u>7</u>
8300 Other comprehensive income:				
8310 Components of other comprehensive income that will not be reclassified to profit or loss (notes 6(o) and (p))				
8311 Gains (losses) on remeasurements of defined benefit plans	3,491	-	3,477	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>13</u>	<u>-</u>	<u>-</u>	<u>-</u>
Components of other comprehensive income that will not be reclassified to profit or loss	<u>3,478</u>	<u>-</u>	<u>3,477</u>	<u>-</u>
8360 Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361 Exchange differences on translation of foreign financial statements	427,410	4	220,556	2
8399 Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Components of other comprehensive income that will be reclassified to profit or loss	<u>427,410</u>	<u>4</u>	<u>220,556</u>	<u>2</u>
8300 Other comprehensive income	<u>430,888</u>	<u>4</u>	<u>224,033</u>	<u>2</u>
8500 Total comprehensive income	<u>\$ 1,261,538</u>	<u>12</u>	<u>1,057,091</u>	<u>9</u>
Profit, attributable to:				
8610 Owners of parent	\$ 827,051	8	829,425	7
8620 Non-controlling interests	<u>3,599</u>	<u>-</u>	<u>3,633</u>	<u>-</u>
	<u>\$ 830,650</u>	<u>8</u>	<u>833,058</u>	<u>7</u>
Comprehensive income attributable to:				
8710 Owners of parent	\$ 1,256,129	12	1,052,514	9
8720 Non-controlling interests	<u>5,409</u>	<u>-</u>	<u>4,577</u>	<u>-</u>
	<u>\$ 1,261,538</u>	<u>12</u>	<u>1,057,091</u>	<u>9</u>
Basic earnings per share (expressed in New Taiwan dollars) (note 6(r))				
9750 Basic earnings per share	<u>\$ 4.46</u>		<u>5.45</u>	
9850 Diluted earnings per share	<u>\$ 4.37</u>		<u>4.93</u>	



(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, 2019 and 2018
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent								
	Retained earnings					Exchange differences on translation of foreign operation	Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Common stock	Capital surplus	Special reserve	Unappropriated retained earnings	Total				
Balance at January 1, 2018	\$ 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
Appropriation and distribution of retained earnings:									
Cash dividends of ordinary share	-	-	-	(465,236)	(465,236)	-	(465,236)	-	(465,236)
Profit	-	-	-	827,051	827,051	-	827,051	3,599	830,650
Other comprehensive income	-	-	-	3,463	3,463	425,615	429,078	1,810	430,888
Total comprehensive income	-	-	-	830,514	830,514	425,615	1,256,129	5,409	1,261,538
Conversion of convertible bonds	188,114	452,178	-	-	-	-	640,292	-	640,292
Balance at December 31, 2019	\$ 1,890,409	2,396,626	300,256	2,396,911	2,697,167	428,276	7,412,478	33,011	7,445,489

(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, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars)

	2019	2018
Cash flows from (used in) operating activities:		
Profit before tax	\$ 845,905	840,562
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	736,312	659,479
Amortization expense	11,589	10,821
Expected credit loss	18,570	236
Interest expense	70,299	102,970
Interest income	(3,219)	(4,798)
Loss on disposal of property, plant and equipment	1,639	19,930
Gain on lease modifications	(10)	-
Impairment loss on non-financial assets	12,165	896
Total adjustments to reconcile profit	<u>847,345</u>	<u>789,534</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Financial assets measured at fair value through profit or loss	853	(8,316)
Accounts receivable	753,975	(566,119)
Other receivables	5,620	23,087
Inventories	(148,543)	(261,432)
Other current assets	3,387	(10,153)
Total changes in operating assets	<u>615,292</u>	<u>(822,933)</u>
Changes in operating liabilities:		
Financial liabilities measured at fair value through profit or loss	3,099	19
Accounts payable	(916,735)	97,186
Other payables	(43,525)	29,273
Other current liabilities	(490)	6,106
Other non-current liabilities	11,466	14,905
Total changes in operating liabilities	<u>(946,185)</u>	<u>147,489</u>
Total changes in operating assets and liabilities	<u>(330,893)</u>	<u>(675,444)</u>
Total adjustments	<u>516,452</u>	<u>114,090</u>
Cash inflow generated from operations	1,362,357	954,652
Interest received	3,219	4,798
Interest paid	(65,822)	(83,833)
Income taxes paid	(14,599)	(14,906)
Net cash flows from operating activities	<u>1,285,155</u>	<u>860,711</u>
Cash flows from (used in) investing activities:		
Increase in prepayments for investments	(83,251)	-
Acquisition of property, plant and equipment	(531,793)	(504,876)
Proceeds from disposal of property, plant and equipment	2,700	4,143
Acquisition of intangible assets	(5,782)	(30,345)
(Increase) decrease in prepayments for equipment	(14,143)	14,536
Decrease in refundable deposits	209	119
Decrease (increase) in other financial assets – non-current	(6,202)	20,894
Net cash used in investing activities	<u>(638,262)</u>	<u>(495,529)</u>
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term loans	(463,278)	48,058
Proceeds from issuing bonds	-	593,319
Proceeds from long-term loans	1,503,667	1,621,503
Repayments of long-term loans	(1,293,798)	(2,371,356)
Payment of lease liabilities	(207,115)	(170,833)
Cash dividends paid	(465,236)	-
Change in non-controlling interests	-	(855)
Net cash flows used in financing activities	<u>(925,760)</u>	<u>(280,164)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>168,500</u>	<u>77,686</u>
Net increase (decrease) in cash and cash equivalents	<u>(110,367)</u>	<u>162,704</u>
Cash and cash equivalents at beginning of period	<u>410,268</u>	<u>247,564</u>
Cash and cash equivalents at end of period	<u>\$ 299,901</u>	<u>410,268</u>



Attachment 4

Apex International Co., Ltd.
2019 Annual Profit Distribution Table

Unit: NTD

Items	Total	Notes
Beginning retained earnings	1,566,397,484	
Add: net profit after tax	827,050,584	
Add: other comprehensive income	3,463,458	Caused by actuarial gains from revaluation of defined benefit plan (APT's employee benefit)
Distributable net profit	2,396,911,526	
Distributable items:		
Cash dividend (NTD 3.00 per share)	569,799,261	1. Number of total shares is 189,933,087 shares on March 02, 2020 2. Plan to issue about NTD 3.00 as dividend per share
Stock dividend (NTD 0.00 per share)	0	
Unappropriated retained earnings	1,827,112,265	
Notes:		
Employee bonus sharing	0	Each independent director compensated NTD 240,000, total head count is 3
Compensation of directors	720,000	

Chairman
Wang, Shu Mu

Chief Executive Officer
Chou, Jui Hsiang

Accounting Managerial Personnel
Hsu, Shou Hua

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 (2020 REVISION) COMPANY LIMITED BY SHARES AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION OF Apex International Co., Ltd.	THE COMPANIES LAW (REVISED) COMPANY LIMITED BY SHARES AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION OF Apex International Co., Ltd.	The revision is made based on the requirement of the Cayman Islands Registry.
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 (2020 Revision).	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).	The revision is made based on the requirement of the Cayman Islands Registry.
Article 8	The share capital of the Company is NTD 3,000,000,000.00 divided into 300,000,000 shares of a nominal or par value of NTD 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 (2020 Revision) and the Articles of Association and to issue any part of its capital, whether original, redeemed or increased with or without any	The share capital of the Company is NTD 3,000,000,000.00 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 any part of its capital, whether original, redeemed or increased	The revision is made based on the requirement of the Cayman Islands Registry.

Number of Article	After the Amendment	Before the Amendment	Explanation
	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.	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 (2020 REVISION) COMPANY LIMITED BY SHARES AMENDED AND RESTATED ARTICLES OF ASSOCIATION OF APEX INTERNATIONAL CO., LTD.	THE COMPANIES LAW (REVISED) COMPANY LIMITED BY SHARES AMENDED AND RESTATED ARTICLES OF ASSOCIATION OF APEX INTERNATIONAL CO., LTD.	The revision is made based on the requirement of the Cayman Islands Registry.
Article 1	The Regulations contained or incorporated in Table A of the First Schedule of the Companies Law (2020 Revision) shall not apply to this Company.	The Regulations contained or incorporated in Table A of the First Schedule of the Companies Law (Revised) shall not apply to this Company.	The revision is made based on the requirement of the Cayman Islands Registry.
Article 2 (a)	<u>(x) Dissenting Member has the same meaning as in Article 23.2;</u>		The defined term is used in the amended Article 23.
Article 2 (a)	<u>(xvii)</u> Law the Companies Law (2020 Revision) 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	<u>(xvi)</u> Law the Companies Law (Revised) 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	The revision is made based on the requirement of the Cayman Islands Registry.

Number of Article	After the Amendment	Before the Amendment	Explanation
	provision as modified by any law for the time being in force;	for the time being in force;	
Article 3.2	Unless otherwise resolved by the Members in general meeting by ordinary resolution, the Company shall, when increasing its issued share capital by issuing new shares in the ROC (other than those new shares issued resulting from or in connection with any merger, consolidation, spin-off, amalgamation, asset acquisition, group reorganization, share swap, share subdivision, exercise of share options, warrants or awards, conversion of convertible securities or debt instruments or pursuant to resolutions of the Board passed conditionally or unconditionally before the date on which these Articles became effective), subject to the allocation of the public offering portion, as provided in Article 3.3 below, and the newly issued shares as the Company may set aside for the employees of the Company and/or of the Company's Subsidiaries pursuant to the Employee's Pre-emptive Rights (as defined below), grant to the Members pre-emptive rights (the "Members Pre-emptive Rights") to subscribe for remaining	Unless otherwise resolved by the Members in general meeting by ordinary resolution, the Company shall, when increasing its issued share capital by issuing new shares in the ROC (other than those new shares issued resulting from or in connection with any merger, consolidation, spin-off, amalgamation, asset acquisition, group reorganization, share swap, share subdivision, exercise of share options, warrants or awards, conversion of convertible securities or debt instruments or pursuant to resolutions of the Board passed conditionally or unconditionally before the date on which these Articles became effective), subject to the allocation of the public offering portion, as provided in Article 3.3 below, and the newly issued shares as the Company may set aside for the employees of the Company and/or of the Company's Subsidiaries pursuant to the Employee's Pre-emptive Rights (as defined below), grant to the Members pre-emptive rights (the "Members Pre-emptive Rights") to subscribe for remaining	This provision is added in order to reflect Article 142 and Paragraph 3, Article 266 of the Company Act of the Republic of China as required by the Shareholders' Right Protection Checklist of the Taiwan Stock Exchange (the "Checklist").

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>new shares of the Company in proportion respectively to their then shareholdings and notify Members, by public announcement in such manner as may be permitted by the Applicable Public Company Rules and give notice to the Members. The Company shall state in such announcement and notices to the Members, among other things, the procedures for exercising such Members Pre-emptive Rights. In the event that shares held by a Member are insufficient for such Member to exercise the pre-emptive right to purchase one new share to be issued, shares held by several Members may be calculated together for joint purchase of shares to be issued or for purchase of shares to be issued in the name of a single Member pursuant to the Applicable Public Company Rules. If the total number of the shares to be issued has not been fully subscribed by the Members within the prescribed period, the Company may consolidate such shares into the public offering tranche or offer any un-subscribed shares to a specific person or persons in accordance with the Applicable Public Company Rules. In addition, the Company</p>	<p>new shares of the Company in proportion respectively to their then shareholdings and notify Members, by public announcement in such manner as may be permitted by the Applicable Public Company Rules and give notice to the Members. The Company shall state in such announcement and notices to the Members, among other things, the procedures for exercising such Members Pre-emptive Rights <u>and that if any Member fails to purchase his/her/its pro rata portion of such remaining shares to be issued within the prescribed period, such Member shall be deemed to forfeit his/her/its pre-emptive right to purchase such shares to be issued</u>. In the event that shares held by a Member are insufficient for such Member to exercise the pre-emptive right to purchase one new share to be issued, shares held by several Members may be calculated together for joint purchase of shares to be issued or for purchase of shares to be issued in the name of a single Member pursuant to the Applicable Public Company Rules. If the total number of the shares to be issued has not been fully subscribed by the Members within the</p>	

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>may, if so resolved by the Board, grant to the employees of the Company and/or of the Company's Subsidiaries pre-emptive rights to subscribe for 10% to 15% of the total number of such shares to be issued for subscription (the "Employees Pre-emptive Rights").</p> <p><u>If any person who has subscribed the new shares (by exercising the Members Pre-emptive Rights or subscribing the public offering portion or the Employees Pre-emptive Rights) fails to pay when due any amount of the subscription price in relation to such newly-issued shares within the payment period as determined by the Company, the Company shall fix a period of no less than one month and call for payment of the subscription price or the Company may declare a forfeiture of such subscription. No forfeiture of such subscription shall be declared as against any such person unless the amount due thereon shall remain unpaid for such period after such demand has been made. Notwithstanding the provisions of the preceding sentence, forfeiture of the subscription may be declared without the</u></p>	<p>prescribed period, the Company may consolidate such shares into the public offering tranche or offer any un-subscribed shares to a specific person or persons in accordance with the Applicable Public Company Rules. In addition, the Company may, if so resolved by the Board, grant to the employees of the Company and/or of the Company's Subsidiaries pre-emptive rights to subscribe for 10% to 15% of the total number of such shares to be issued for subscription (the "Employees Pre-emptive Rights").</p>	

Number of Article	After the Amendment	Before the Amendment	Explanation
	<u>demand process if the payment period for subscription price set by the Company is one month or longer. Upon forfeiture of the subscription, the shares remaining unsubscribed to shall be offered for subscription in such manner as is consistent with the Applicable Public Company Rules.</u>		
Article 11.4	<p>Subject to the Law, the Applicable Public Company Rules and Article 11.5 below, the Company may not, unless authorised or approved by a supermajority resolution:</p> <ul style="list-style-type: none"> (a) enter into, amend, or terminate any contract for lease of the Company's business in whole, or for the delegation of management of the Company's business, or for regular joint operation with others; (b) transfer its business or assets, in whole or in any essential part; (c) acquire or assume the whole business or assets of another person, which has a material effect on the Company's operations; (d) resolve that any declared dividend be satisfied by the issuance of new shares credited as fully paid to the Members; or (e) effect any Merger (except for any Merger 	<p>Subject to the Law, the Applicable Public Company Rules and Article 11.5 below, the Company may not, unless authorised or approved by a supermajority resolution:</p> <ul style="list-style-type: none"> (a) enter into, amend, or terminate any contract for lease of the Company's business in whole, or for the delegation of management of the Company's business, or for regular joint operation with others; (b) transfer its business or assets, in whole or in any essential part; (c) acquire or assume the whole business or assets of another person, which has a material effect on the Company's operations; (d) resolve that any declared dividend be satisfied by the issuance of new shares credited as fully paid to the Members; or (e) effect any Merger (except for any Merger 	<p>This provision is added in order to reflect Article 29 of the Business Mergers and Acquisitions Act (the "M&A Act") of the Republic of China as required by the Checklist.</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>which falls within the definition of "merger" and/or "consolidation" under the Law, which requires the approval of the Company by Special Resolution only), <u>share swap</u> or spin-off of the Company.</p>	<p>which falls within the definition of "merger" and/or "consolidation" under the Law, which requires the approval of the Company by Special Resolution only) or spin-off of the Company.</p>	
Article 15.7	<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, (c) capital deduction, (d) application to terminate the public offering of the shares, (e) dissolution, Merger, share swap or spin-off, (f) 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 operation of the Company with others, (g) transfer of the business or assets of the Company, in whole or in any essential part, (h) 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 (i) Private</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, (c) capital deduction, (d) application to terminate the public offering of the shares, (e) dissolution, Merger, share swap or spin-off, (f) 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 operation of the Company with others, (g) transfer of the business or assets of the Company, in whole or in any essential part, (h) 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 (i) Private</p>	Wording change.

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>Placement of any equity-type securities issued by the Company, (j) 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, (k) payment of dividends or bonuses in whole or in part by way of issuance of new shares, and (l) 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. The major content of the above matters <u>may</u> be announced at the 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.</p>	<p>Placement of any equity-type securities issued by the Company, (j) 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, (k) payment of dividends or bonuses in whole or in part by way of issuance of new shares, and (l) 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. The major content of the above matters <u>can</u> be announced at the 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.</p>	
Article 19	<p>The <u>chairman at all meetings of the Members shall be appointed in accordance with the Rules and Procedures of Shareholders' Meeting of the Company.</u></p>	<p>The <u>Chairman, if any, of the Board shall preside as chairman at every general meeting of the Company. If there is no such chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as</u></p>	<p>This provision is revised in order to reflect the practice of public companies in the Republic of China.</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
		<p><u>chairman, the Members present shall choose one of them to be chairman.</u></p>	
Article 23.1	<p>In the event any of the following resolutions is adopted at general meetings, any Member who has <u>abstained from voting in respect of such matter and expressed his dissent therefor, in writing or verbally (with a record) before or during</u> the meeting, may request the Company to purchase all of his/her/its shares at the then prevailing fair price:</p> <p>(a)The Company enters into, amends, or terminates 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 operation of the Company with others;</p> <p>(b)The Company transfers its business or assets, in whole or in any essential part; provided that, the foregoing does not apply where such transfer is pursuant to the dissolution of the Company;</p> <p>(c)The Company acquires or assumes the transfer of the whole business or assets of another person, which has a material effect on the Company's business operations;</p> <p><u>(d)The Company proposes</u></p>	<p>In the event any of the following resolutions is adopted at general meetings, any Member who has <u>notified the Company in writing of his objection to such a resolution prior to the meeting and has raised again his/her/its objection at</u> the meeting, may request the Company to purchase all of his/her/its shares at the then prevailing fair price:</p> <p>(a)The Company enters into, amends, or terminates 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 operation of the Company with others;</p> <p>(b)The Company transfers its business or assets, in whole or in any essential part; provided that, the foregoing does not apply where such transfer is pursuant to the dissolution of the Company; <u>or</u></p> <p>(c)The Company acquires or assumes the transfer of the whole business or assets of another person, which has a material effect on the Company's business operations;</p>	<p>This provision is revised in order to reflect Article 186 of the Company Act of the Republic of China and Article 12 of the M&A Act as required by the Checklist.</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>to undertake a spin-off, Merger or share swap; or</u></p> <p><u>(e)The Company generally assumes all the assets and liabilities of another person or generally assigns all its assets and liabilities to another person.</u></p>		
Article 23.2	<p><u>Without prejudice to the Law, any Member exercising his rights in accordance with Article 23.1 (the "Dissenting Member") shall, within twenty (20) days from the date of the resolution passed at the general meeting, give his written notice of objection stating the repurchase price proposed by him. If the Company and the Dissenting Member agree on a price at which the Company will purchase the Dissenting Member's Shares, the Company shall make the payment within ninety (90) days from the date of the resolution passed at the general meeting. If, within ninety (90) days from the date of the resolution passed at the general meeting, the Company and the Dissenting Member fail to agree on a price at which the Company will purchase the Dissenting Member's Shares, the Company shall pay the fair price it deems fit to the Dissenting Member within ninety (90) days from the</u></p>	<p><u>In the event any part of the Company's business is spun off or involved in any Merger with any other company, the Member, who has forfeited his/her/its right to vote on such matter and expressed his dissent therefor, in writing or verbally (with a record) before or during the general meeting, may request the Company to buy back all of his/her/its shares at the then prevailing fair price.</u></p>	Same as above.

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>date of the resolution passed at the general meeting. If the Company fails to pay the fair price it deems fit to the Dissenting Member within the ninety-day period, the Company shall be deemed to agree on the repurchase price proposed by such Dissenting Member.</u></p>		
<p><u>Article 23.3</u></p>	<p><u>Without prejudice to the Law, if, within sixty (60) days from the date of the resolution passed at the general meeting, the Company and the Dissenting Member fail to agree on a price at which the Company will purchase such Dissenting Member's Shares, then, within thirty (30) days immediately following the date of the expiry of such sixty-day period, the Company shall file a petition with the court against all the Dissenting Members for a determination of the fair price of the Shares held by all the Dissenting Shareholders. The Taiwan Taipei District Court, ROC, may be the court of the first instance for this matter.</u></p>		<p>Same as above.</p>
<p><u>Article 23.4</u></p>	<p><u>Notwithstanding the above provisions under this Article 23, nothing under this Article shall restrict or prohibit a Member from exercising his right under section 238 of the Law to payment of the fair value</u></p>		<p>This provision is added in order to include references to the relevant provisions of the Cayman Islands Companies</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>of his shares upon dissenting from a Merger or consolidation.</u></p>		Law.
Article 30.2	<p>The Directors shall be elected upon a poll vote by way of cumulative voting. The numbers of votes attached to each voting share held by a shareholder shall be cumulative and correspond to the number of Directors nominated for appointment at the general meeting (hereafter, " Special Votes "). Each shareholder may vote all or part of his/her Special Votes in respect of one or more Director candidates. Within the number of Directors to be elected, the Director candidates receiving the highest number of votes shall be appointed. The Directors (including Independent Directors) shall be nominated by adopting the candidate nomination system specified in the Applicable Public Company Rules for so long as the shares are listed on the TPEX or the TWSE. The rules and procedures of the nomination of candidates shall comply with the procedure approved by the Board of Directors and ordinary resolution, provided that such procedure shall be in compliance with the Law, Memorandum of</p>	<p>The Directors shall be elected upon a poll vote by way of cumulative voting. The numbers of votes attached to each voting share held by a shareholder shall be cumulative and correspond to the number of Directors nominated for appointment at the general meeting (hereafter, " Special Votes "). Each shareholder may vote all or part of his/her Special Votes in respect of one or more Director candidates. Within the number of Directors to be elected, the Director candidates receiving the highest number of votes shall be appointed. The Directors (including Independent Directors) shall be nominated by adopting the candidate nomination system specified in the Applicable Public Company Rules for so long as the shares are listed on the TPEX or the TWSE. The rules and procedures of the nomination of candidates shall comply with the procedure approved by the Board of Directors and ordinary resolution, provided that such procedure shall be in compliance with the <u>Cayman Companies</u> Law</p>	Wording change.

Number of Article	After the Amendment	Before the Amendment	Explanation
	Association, Articles of Association, and the Applicable Public Company Rules.	<u>(Revised)</u> , Memorandum of Association, Articles of Association, and the Applicable Public Company Rules.	
Article 43.2	A Director who is directly or indirectly interested in <u>any matter under discussion at a meeting of the Directors</u> or a contract or proposed contract or arrangement with the Company shall declare the nature <u>and the essential contents</u> of such interest <u>at the relevant meeting of the Directors</u> as required by <u>the Applicable Law</u> . If the <u>Company proposes to enter into any transaction specified</u> in Article <u>23.1</u> or <u>effect other forms of mergers and acquisitions in accordance with Applicable Law</u> , a <u>director</u> who has a personal interest in <u>such transaction</u> shall declare the essential contents of <u>such personal interest and the reason why he believes that the transaction is advisable or not advisable</u> at the relevant meeting of the <u>Directors and the general meeting as required by the Applicable Law</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	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 <u>law</u> . <u>Notwithstanding anything to the contrary contained in this Article 43</u> , a <u>Director</u> who has a personal interest in <u>the matter under discussion at a meeting of the Board</u> shall declare the <u>nature of and the</u> essential contents of <u>his</u> interest at the relevant meeting of the <u>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.	This provision is revised in order to reflect Paragraph 3, Article 5 of the M&A Act as required by the Checklist.

Number of Article	After the Amendment	Before the Amendment	Explanation
	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.		
Article 51A.1	<p>The Company shall establish an Audit Committee. The Audit Committee shall comprise of all Independent Directors and the number of committee members shall not be less than three. One of the Audit Committee members shall be appointed as the convener to convene meetings of the Audit Committee from time to time and at least one of the Audit Committee members shall have accounting or financial expertise. A valid resolution of the Audit Committee requires approval of one-half or more of all its members.</p> <p>Any of the following matters of the Company shall require the consent of one-half or more of all Audit Committee members and be submitted to the Board of Directors for resolution:</p>	<p>The Company shall establish an Audit Committee. The Audit Committee shall comprise of all Independent Directors and the number of committee members shall not be less than three. One of the Audit Committee members shall be appointed as the convener to convene meetings of the Audit Committee from time to time and at least one of the Audit Committee members shall have accounting or financial expertise. A valid resolution of the Audit Committee requires approval of one-half or more of all its members.</p> <p>Any of the following matters of the Company shall require the consent of one-half or more of all Audit Committee members and be submitted to the Board of Directors for resolution:</p>	The numbering is added due to the addition of Article 51A.2.
Article 51A.2	Subject to compliance with the Law, before the meeting of Directors resolves any matter specified in Article 23.1 or		This provision is added in order to reflect Article 6, Article 7, Paragraph 3 of

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>other mergers and acquisitions in accordance with the Applicable Law, the Audit Committee shall review the fairness and reasonableness of the relevant merger and acquisition plan and transaction, and report its review results to the meeting of Directors and the general meeting; provided, however, that such review results need not be submitted to the general meeting if the approval of the Members is not required under the Applicable Law. When the Audit Committee conducts the review, it shall engage an independent expert to issue an opinion on the fairness of the share exchange ratio, cash consideration or other assets to be offered to the Members. The review results of the Audit Committee and the fairness opinion issued by the independent expert shall be distributed to the Members, along with the notice of the general meeting; provided, however, that the Company can only report matters relating to such merger and acquisition at the next following general meeting if the approval of the Members is not required under the Applicable Law. Such review results and fairness</u></p>		<p>Article 22, Paragraph 7 of Article 31 and Paragraph 2 of Article 38 of the M&A Act as required by the Checklist.</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>opinion shall be deemed to have been distributed to the Members if the same have been uploaded onto the website designated by the ROC securities authority and made available to the Members for their inspection and review at the venue of the general meeting.</u></p>		

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>(...)</p> <p><u>Matters pertaining to</u> election or <u>discharge</u> of directors, <u>alteration of</u> the <u>Articles</u> of Incorporation, <u>reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, spin-off, or any matters as set forth in Paragraph I, Article 185 hereof shall be itemized in the causes or subjects to be described and the essential contents shall be explained</u> in the notice <u>to convene a meeting of shareholders, and shall not be brought up as extemporary motions; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the company, and such website shall be indicated in the above notice.</u></p> <p><u>The convening of Shareholders' Meeting has stated the election of directors and the date of appointment. After the re-election of Shareholders' Meeting is completed, the same meeting can not change its appointment date by</u></p>	<p>(...)</p> <p>Election or <u>dismissal</u> of directors, <u>amendments to</u> the <u>articles</u> of incorporation, <u>the</u> dissolution, merger, <u>or</u> <u>demerger of the corporation,</u> or any <u>matter under</u> Article 185, <u>paragraph 1 of the Company Act, or Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out</u> in the notice <u>of the reasons for convening the shareholders meeting. None of the above matters may be raised by an</u> extraordinary motion.</p>	<p>Conform to the amendments to related regulations and wording change.</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>extraordinary motions or other means.</u></p> <p>A shareholder holding 1 percent or more of the total number of issued shares may propose to the Company in writing or any electronic means designated by the Company a matter for discussion at an annual general meeting. Such proposals, however, are limited to one item only. <u>A shareholder proposal proposed for urging a company to promote public interests or fulfill its social responsibilities may still be included in the list of proposals to be discussed at a regular meeting of shareholders by the board of directors</u>, 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>(...)</p>	<p>A shareholder holding 1 percent or more of the total number of issued shares may propose to the Company in writing or any electronic means designated by the Company a matter for discussion at an annual general 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>(...)</p>	
Article 5	<p>(...)</p> <p>The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.</p>	<p>(...)</p> <p>The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors <u>or supervisors</u>, pre-printed ballots shall also be furnished.</p>	To the needs of commercial practices.

Number of Article	After the Amendment	Before the Amendment	Explanation
	(...)	(...)	
Article 9	<p>If a shareholders meeting is convened by the board of directors, <u>relevant proposals (including extraordinary motions and amendments to original proposals) shall be voting by poll</u>, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.</p> <p>(...)</p> <p>The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote <u>and arrange sufficient voting time</u>.</p>	<p>If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.</p> <p>(...)</p> <p>The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.</p>	Conform to the amendments to related regulations.
Article 12	<p>(...)</p> <p>When the Company holds a shareholders meeting, it <u>shall</u> allow the shareholders to exercise voting rights by electronic means <u>and may in writing</u>. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived</p>	<p>(...)</p> <p>When the Company holds a shareholders meeting, it <u>may</u> allow the shareholders to exercise voting rights by <u>correspondence or</u> electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived</p>	Conform to the amendments to related regulations.

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.</p> <p>(...)</p> <p>Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</p> <p>(...)</p>	<p>his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.</p> <p>(...)</p> <p>Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, <u>for each proposal</u>, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results <u>for each proposal</u>, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</p> <p>(...)</p>	
Article 14	<p>(...)</p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their <u>voting results (including shares represented). When there is</u></p>	<p>(...)</p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of</p>	Conform to the amendments to related regulations.

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>an election of directors, the votes received of each Director elect shall be disclosed</u>, and shall be retained for the duration of the existence of the Company.</p>	<p>the Company.</p>	

Apex International Co., Ltd.

Comparison Table of Amendments to "Procedures for Lending Funds to Other Parties"

Number of Article	After the Amendment	Before the Amendment	Explanation
Article 2	<p>The party to whom the Company may lend its funds shall be limited to:</p> <p>(1) Companies having business relationship with the Company; or</p> <p>(2) Companies in need of funds for a short-term period. For the purpose of this Procedure, "short-term period" shall mean the period of one (1) year.</p> <p>Fund-lending to companies having business relationship with the Company shall be limited to the circumstance that the said companies need working capital.</p> <p>Fund-lending to companies which need funds for a short-term period shall be limited to subsidiaries in which the Company directly or indirectly holds more than fifty percent (50%) of the voting shares.</p> <p><u>When a responsible person of the Company violates the Procedure, the responsible person shall bear joint and several liability with the borrower for repayment; if the Company suffers damage, the responsible person also shall be liable for damages.</u></p>	<p>The party to whom the Company may lend its funds shall be limited to:</p> <p>(1) Companies having business relationship with the Company; or</p> <p>(2) Companies in need of funds for a short-term period. For the purpose of this Procedure, "short-term period" shall mean the period of one (1) year.</p> <p>Fund-lending to companies having business relationship with the Company shall be limited to the circumstance that the said companies need working capital.</p> <p>Fund-lending to companies which need funds for a short-term period shall be limited to subsidiaries in which the Company directly or indirectly holds more than fifty percent (50%) of the voting shares.</p>	<p>The revision is made based on the revised Article 3 of Regulations Governing Loaning of Funds and Making of Endorsements/ Guarantees by Public Companies ("Regulations")</p>
Article 3	<p>The total amount available for lending purpose shall not exceed twenty percent (20%) of the net worth of the</p>	<p>The total amount available for lending purpose shall not exceed twenty percent (20%) of the net worth of the</p>	<p>The revision is made based on the revised Article 3 of the</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>Company.</p> <p>The total amount for lending to a company having business relationship with the Company shall not exceed the total transaction amount between the parties during the period of twelve (12) months prior to the time of lending (For the purpose of this Procedure, the "transaction amount" shall mean the sales or purchasing amount between the parties, whichever is higher), and shall not exceed ten percent (10%) of the net worth of the Company. The total amount for lending to a company for funding for a short-term period shall not exceed ten percent (10%) of the net worth of the Company. In addition, the total amount lendable to any one borrower shall be no more than thirty percent (30%) of the borrower's net worth, provided that this restriction will not apply to <u>inter-company loans of funds between foreign companies</u> whose voting shares are <u>100%</u> owned, directly or indirectly, by the Company, <u>nor to loans of fund to the Company's voting shares are 100% owned, directly or indirectly, by any foreign company. However, the Company shall still prescribe limits on the aggregate amount of such loans and on the amount of such loans permitted to a single borrower, and shall specify</u></p>	<p>Company.</p> <p>The total amount for lending to a company having business relationship with the Company shall not exceed the total transaction amount between the parties during the period of twelve (12) months prior to the time of lending (For the purpose of this Procedure, the "transaction amount" shall mean the sales or purchasing amount between the parties, whichever is higher), and shall not exceed ten percent (10%) of the net worth of the Company. The total amount for lending to a company for funding for a short-term period shall not exceed ten percent (10%) of the net worth of the Company. In addition, the total amount lendable to any one borrower shall be no more than thirty percent (30%) of the borrower's net worth, provided that this restriction will not apply to <u>subsidiaries</u> whose voting shares are <u>90%</u> owned, directly or indirectly, by the Company.</p>	<p>Regulations</p>

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>limits on the durations of such loans.</u></p> <p>The total amount for fund-lending between the foreign subsidiaries whose voting shares are 90% owned, directly or indirectly, by the Company <u>or the Company's voting shares are 90% owned, directly or indirectly, by any foreign company</u> will not be subject to the limit of forty percent (40%) of the net worth of the lending subsidiary.</p> <p>The total amount lendable to any single borrower by the Company's subsidiary shall not exceed ten percent (10%) of its net worth as stated in the latest financial statements.</p>	<p>The total amount for fund-lending between the foreign subsidiaries whose voting shares are 90% owned, directly or indirectly, by the Company will not be subject to the limit of forty percent (40%) of the net worth of the lending subsidiary.</p> <p>The total amount lendable to any single borrower by the Company's subsidiary shall not exceed ten percent (10%) of its net worth as stated in the latest financial statements.</p>	
Article 9	<p>Any lending of the Company's funds shall be evaluated with and subject to the "Guidelines for Fund-Lending and Providing Endorsements and Guarantees by Public Companies" announced by the securities regulatory authority and the Procedures, and then submitted, together with the result of the evaluation made as described in the second paragraph of Article 5, to the Board of Directors for its approval and no delegation shall be made to any person in this regard. However, material lending of funds shall be deliberated by the Audit Committee in accordance with relevant regulations and submitted to</p>	<p>Any lending of the Company's funds shall be evaluated with and subject to the "Guidelines for Fund-Lending and Providing Endorsements and Guarantees by Public Companies" announced by the securities regulatory authority and the Procedures, and then submitted, together with the result of the evaluation made as described in the second paragraph of Article 5, to the Board of Directors for its approval and no delegation shall be made to any person in this regard. However, material lending of funds shall be deliberated by the Audit Committee in accordance with relevant regulations and submitted to</p>	The revision is made based on the revised Article 8 of the Regulations

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p>the Board of Directors for a resolution. If that has not been approved by more than half of all audit committee members, it shall be adopted by more than two-thirds of the board of directors, and the resolution of the audit committee shall be recorded in the board of directors meeting minutes.</p> <p><u>The terms "all audit committee members" and "all directors" shall be counted as the actual number of persons currently holding those positions.</u></p> <p>For any fund lending between the Company and its subsidiary or any fund lending between the Company's subsidiaries, a pre-determined line of credit by installment or revolving limit for a period of no more than one year for a specified borrower may be delegated to the Chairman by the Board of Directors to facilitate execution.</p>	<p>the Board of Directors for a resolution. If that has not been approved by more than half of all audit committee members, it shall be adopted by more than two-thirds of the board of directors, and the resolution of the audit committee shall be recorded in the board of directors meeting minutes.</p> <p>For any fund lending between the Company and its subsidiary or any fund lending between the Company's subsidiaries, a pre-determined line of credit by installment or revolving limit for a period of no more than one year for a specified borrower may be delegated to the Chairman by the Board of Directors to facilitate execution.</p>	
Article 17	<p><u>When adopted or amended</u> the Procedures shall <u>require the approval of one-half or more of all</u> Audit Committee <u>members, and furthermore shall be submitted for a resolution</u> by the Board of Directors and the Shareholders' Meeting. That has not been approved by more than half of audit committee members, it shall be adopted by more than two-thirds of the board of directors, and the resolution of the audit committee shall</p>	<p>The Procedures shall <u>be deliberated by</u> Audit Committee <u>first then approved</u> by the Board of Directors and the Shareholders' Meeting. <u>Any amendment is subject to the same procedure.</u> That has not been approved by more than half of audit committee members, it shall be adopted by more than two-thirds of the board of directors, and the resolution of the audit committee shall be recorded in the board of directors</p>	The revision is made based on the revised Article 8 of the Regulations

Number of Article	After the Amendment	Before the Amendment	Explanation
	be recorded in the board of directors meeting minutes.	meeting minutes.	

Apex International Co., Ltd.

Comparison Table of Amendments to "Procedures for Endorsement and Guarantee"

Number of Article	After the Amendment	Before the Amendment	Explanation
Article 2	<p>The party to whom the Company may provide endorsement and/or guarantee include the following:</p> <ol style="list-style-type: none"> 1. Any company who <u>does</u> business with the Company. 2. Any <u>company</u> whose voting shares are fifty percent (50%) or more owned directly <u>and indirectly</u> by the Company. 3. Any company who directly <u>and</u> indirectly own fifty percent (50%) or more of the Company's voting shares. <p>Subsidiaries whose voting shares are more than 90% owned, directly or indirectly, by the Company may provide endorsement and/or guarantee to each other, <u>provided that this restriction shall not apply to endorsements/guarantees made between companies in which the company holds, directly or indirectly, 100% of the voting shares.</u></p>	<p>The party to whom the Company may provide endorsement and/or guarantee include the following:</p> <ol style="list-style-type: none"> 1. Any company who <u>has</u> business <u>relationship</u> with the Company. 2. Any <u>subsidiary</u> whose voting shares are fifty percent (50%) or more owned directly by the Company. 3. <u>Any company in which the Company invests and whose voting shares are fifty percent (50%) or more owned collectively by the Company and its subsidiaries.</u> 4. Any <u>parent</u> company who directly <u>or through its subsidiaries</u> indirectly own fifty percent (50%) or more of the Company's voting shares. <p>Subsidiaries whose voting shares are more than 90% owned, directly or indirectly, by the Company may provide endorsement and/or guarantee to each other.</p>	The revision is made based on the revised Article 5 of the Regulations
Article 13	<u>When adopted or amended</u> the Procedures shall <u>require the approval of one-half or</u>	The Procedures shall <u>be deliberated by</u> Audit Committee <u>and approved</u> by	The revision is made based on

Number of Article	After the Amendment	Before the Amendment	Explanation
	<p><u>more of all</u> Audit Committee <u>members, and furthermore shall be submitted for a resolution</u> by the Board of Directors and the Shareholders' Meeting. If that has not been approved by more than half of all audit committee members, it shall be adopted by more than two-thirds of the board of directors, and the resolution of the audit committee shall be recorded in the board of directors meeting minutes.</p>	<p>the Board of Directors and the Shareholders' Meeting. <u>Any amendment is subject to the same procedures.</u> If that has not been approved by more than half of all audit committee members, it shall be adopted by more than two-thirds of the board of directors, and the resolution of the audit committee shall be recorded in the board of directors meeting minutes.</p>	<p>the revised Article 11 of the Regulations</p>