



Stock Code: 2636

T3EX Global Holdings Corp.
2019 Annual Meeting of Shareholders
(Translation)
Meeting Agenda Handbook

MEETING TIME: 06 21, 2019

PLACE: Cathay Financial Conference Hall, G Room

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T3EX Global Holdings Corp.

Time: 9:30 a.m., June 21, 2019

Place: Cathay Financial Conference Hall, G Room
(No.9, Songren Rd., Xinyi Dist., Taipei City 110, Taiwan)

I. Procedure for the 2019 Annual Meeting of Shareholders:

1. Call the Meeting to Order

2. Chairman's Address

3. Report Items

4. Proposed Resolutions

5. Discussion Items

6. Election Items

7. Other Discussion Items

8. Special Motion

9. Meeting Adjourned

II. Agenda of Annual Meeting of Shareholders:

1. Report Items

- (1) 2018 Business Report
- (2) Supervisor's review report on the 2018 financial statements
- (3) 2018 distribution report of compensation of directors and supervisors and employee bonus.
- (4) The status of 2018 endorsement and guarantee
- (5) Amendment to the "Procedures for Ethical Management and Guidelines for Conduct"
- (6) Amendment to the "Guidelines for the Adoption of Codes of Ethical Conduct"
- (7) Other report items

2. Proposed Resolutions

- (1) Adoption of the 2018 business report and financial statements
- (2) Adoption of the proposal for distribution of 2018 profits

3. Discussion Items

- (1) Amendment to the Company's Articles of Incorporation
- (2) Amendment to the Rules of Procedure for Shareholder Meetings
- (3) Amendment to the Procedures for Election of Directors and Supervisors
- (4) Amendment to the Operational Procedures for Acquisition and Disposal of Assets
- (5) Amendment to the Operational Procedures for Loaning of Company Funds
- (6) Amendment to the Operational Procedures for Endorsements and Guarantees

4. Election Items

The Election of Directors

5. Other Discussion Items

Proposal of Release the Prohibition on Directors from Participation in Competitive Business

6. Special Motion

7. Meeting Adjourned

1. Report Items

- **Report No.1**

2018 Business Reports.

Explanation:

Please refer to page 13-15 (Attachment 1) for details.

- **Report No.2**

Supervisor's review report on the 2018 financial statements.

Explanation:

Please refer to page 16 (Attachment 2) for details.

- **Report No.3**

2018 distribution report of compensation of directors and supervisors and employee bonus.

Explanation:

i. In accordance with the "Company's Articles of Incorporation".

ii. The Company's 2018 profit before distribution was NT\$366,719,411 which distributed 0.5% (NT\$1,850,000) employee bonus and distributed 2.52% (NT\$9,230,000) compensation of directors and supervisors with cash.

- **Report No.4**

The status of 2018 endorsement and guarantee

Explanation:

i. In accordance with the "Company's the Operational Procedures for Endorsements and Guarantees".

ii. The Company has endorsed the bank contract for the future operating capital of Shanghai YaoHwa International Forwarder Co., Ltd. The end of year balance was NT\$13,424 thousands and the actual usage amount was NT\$0.

iii. The Company has endorsed the bank contract for the future operating capital of T.H.I. Group (Shanghai) Ltd. The end of year balance was NT\$75,456 thousands and the actual usage amount was NT\$0.

iv. The Company has endorsed the bank contract for the future operating capital of T-Cube Global Logistics Co., Ltd. The end of year balance was NT\$170,035 thousands and the actual usage amount was NT\$37,015 thousands.

- v. The Company has endorsed the bank contract for the future operating capital of EXer Logistics Co., Ltd. The end of year balance was NT\$22,373 thousands and the actual usage amount was NT\$ 0.
- vi. The Company has endorsed the bank contract for the future operating capital of TEC Logistics Co., Ltd. The end of year balance was NT\$107,485 thousands and the actual usage amount was NT\$ 0.
- vii. Shanghai YaoHwa International Forwarder Co., Ltd. endorsed the business contract for the business need of T.H.I. Group (Shanghai) Ltd. The end of year balance is NT\$3,132 thousands and the actual usage amount was NT\$2,339 thousands.

- **Report No.5**

Amendment to the “Procedures for Ethical Management and Guidelines for Conduct”.

Explanation:

To set up the Company’s audit committee, amended the Company’s the “Procedures for Ethical Management and Guidelines for Conduct”.

- **Report No.6**

Amendment to the “Guidelines for the Adoption of Codes of Ethical Conduct”.

Explanation:

To set up the Company’s audit committee, amended the Company’s the “Guidelines for the Adoption of Codes of Ethical Conduct”.

- **Report No.7**

Other report items

Explanation:

The status of proposal from shareholders: The Company didn’t receive any proposal during the period of proposal from April 15, 2019 to April 25, 2019.

2. Proposed Resolutions

(1) Proposal: (Proposed by the Board)

Adoption of the 2018 business report and financial statements.

Explanation:

- i. The Company's 2018 financial statements, including the balance sheet, income statement, statement of changes in shareholders' equity, and statement of cash flows, were audited by independent auditors, CHI-LUNG YU and MEI-PIN WU of KPMG Firm. Also the business report and financial statements have been approved by the board of directors on March 26, 2019 and examined by the supervisors.
- ii. The 2018 business report, independent auditors' audit report, and the above-mentioned financial statements were attached in the Meeting Agenda, please refer to page 17~32 (Attachment 3).

Resolution:

(2) Proposal: (Proposed by the Board)

Adoption of the proposal for distribution of 2018 profits.

Explanation:

- i. The board has adopted a proposal for distribution of 2018 profits. Please refer to the below of 2018 PROFIT DISTRIBUTION TABLE.

T3EX Global Holdings Corp.
PROFIT DISTRIBUTION TABLE
Year 2018

(Unit: NTD \$)

Beginning Retained Earnings		7,562,940
Add: Remeasurement of defined benefit obligation in 2018	675,248	
Add: Adjustment of retrospective adoption from IFRSs	490,660	
Add: Disposal of equity instruments at fair value through other comprehensive income	68,889	1,234,797
Adjusted Beginning Retained Earnings		8,797,737
Add: Net profit after tax	354,928,838	
Less: 10% legal reserve	(35,492,884)	
Add: Reversal special reserve	12,086,815	331,522,769
Distributable Net Profit		340,320,506
Distributable items:		

Shareholders Bonus- Stock Dividends	0	
Shareholders Bonus- Cash Dividends(NT\$2.2 per share)	(254,752,084)	(254,752,084)
Unappropriated retained earnings		85,568,422

ii. After the proposal is approved by the Shareholders' Meeting, the Chairman is authorized to determine the distribution record date, the dividend distribution date and other related detail.

iii. In the event that, before the distribution record date, the proposed profit distribution is affected by an amendment to relevant laws or regulations, a request by the competent authorities, or a buyback of shares or issuance of new shares for transferring treasury shares to employees or for equity conversion in connection with domestic convertible corporate bonds or other convertible securities or employee stock options, it is proposed that the Chairman be authorized to adjust the cash to be distributed to each share based on the number of actual shares outstanding on the record date for distribution.

Resolution:

3. Discussion Items

(1) Proposal:

(Proposed by the Board)

Amendment to the Company's Articles of Incorporation.

Explanation:

i. To set up the Company's audit committee and to meet the operating need, the company hereby proposes to amend the Company's Articles of Incorporation.

ii. Please proceed to discuss.

Resolution:

(2) Proposal:

(Proposed by the Board)

Amendment to the Rules of Procedure for Shareholder Meetings

Explanation:

i. To set up the Company's audit committee, the company hereby proposes to amend Rules of Procedure for Shareholder Meetings.

ii. Please proceed to discuss.

Resolution:

(3) Proposal: **(Proposed by the Board)**
Amendment to the Procedures for Election of Directors and Supervisors

Explanation:

- i. To set up the Company's audit committee, the company hereby proposes to amend the Procedures for Election of Directors and Supervisors.
- ii. Please proceed to discuss.

Resolution:

(4) Proposal: **(Proposed by the Board)**
Amendment to the Operational Procedures for Acquisition and Disposal of Assets

Explanation:

- i. In order to conform to the amendments of related commercial laws and to set up the Company's audit committee, the company hereby proposes to amend the Operational Procedures for Acquisition and Disposal of Assets
- ii. Please proceed to discuss.

Resolution:

(5) Proposal: **(Proposed by the Board)**
Amendment to the Operational Procedures for Loaning of Company Funds

Explanation:

- i. In order to conform to the amendments of related commercial laws and to set up the Company's audit committee, the company hereby proposes to amend the Operational Procedures for Loaning of Company Funds
- ii. Please proceed to discuss.

Resolution:

(6) Proposal: **(Proposed by the Board)**
Amendment to the Operational Procedures for Endorsements and Guarantees

Explanation:

i. In order to conform to the amendments of related commercial laws and to set up the Company's audit committee, the company hereby proposes to amend the Operational Procedures for Endorsements and Guarantees

ii. Please proceed to discuss.

Resolution:

4. Election Items

The company is responsible for identifying and evaluating nominees for director seats, and recommending to the Board a slate of nominees for the 9th Directors election.

Explanation:

1. The three-year term of 9 directors (3 independent directors) will be end on 05/30/2018. Accordingly, the company proposes to duly elect new Board members at this year's Annual Meeting of Shareholders.
2. The Board election proposal has been approved by the meeting of the Board of the company.
3. The shareholders' meeting shall elect 9 directors (3 independent directors). Their three-year term will start from 06/21/2019 and conclude on 06/20/2022.
4. According to the Company's Article of Incorporation, a total of 9 directors (3 independent directors) shall be elected from the nomination list prepared by the company. The qualification of the 9 nominated directors (3 independent directors) has been reviewed by the Board meeting on 05/07/2019. Personal information of the 9 nominees is as follows:

Director:

Name	Education & Experience	Present position	Shareholding
David Yen	<ul style="list-style-type: none"> ➢ Shipping & Transportation Management in NTOU ➢ The founder of T3EX group 	Group chairman of T3EX ➢ Board director: Dynamic Ocean Group, T-Cube logistics, T.H.I. & Maruzen, Hope Ocean, Greatline international, Taiwan Express, EXer logistics, Moorluk International Shipping, T-SC Factoring Co., Ltd. ➢ Chairman: THI Logistics, THI group (Shanghai), and YHI International, THI logistics, Jin Hua Investment Ltd.	796,490 shares
Hope Ocean International Ltd	<ul style="list-style-type: none"> ➢ EMBA in NUS ➢ DBA in TIAS ➢ The GM of DIMERCO 	<ul style="list-style-type: none"> ➢ The CEO of THI Group Air business. ➢ The Chairman of T-SC Factoring Co., Ltd. ➢ Board director. 	3,339,143 shares

Representative: Tony Lin		T-Cube logistics, T.H.I. & Maruzen, LOGI International, THI Singapore, THI Group (Shanghai), Taiwan Express, EXer Logistics., THI Logistics, YHI International, Fresh beauty enterprise	
Jack Lai	<ul style="list-style-type: none"> ➢ The associate vice president of T3EX ➢ DBA in National Taipei University. 	<ul style="list-style-type: none"> ➢ The CEO of THI Group ocean business. ➢ Board director: PT. Dexter Eurekatama, THI group (Shanghai), THI Logistics, YHI International, THI Malaysia, T.H.I. Singapore., LOGI International, THI HK, EXer logistics, T-SC Factoring Co., Ltd. AIRTROPOLIS EXPRESS(S) PTE LTD. (ATP), Eastern Union Holdings, Fresh Beauty enterprises. ➢ Chairman: T-Cube logistics, Moorluk International Shipping ➢ General Manager: T.H.I. Vietnam, T.H.I. CAMBODIA, T.H.I. Bangkok 	1,917,552 shares
CHANG-JIE International Representative: Benison Hsu	<ul style="list-style-type: none"> ➢ MBA in Tulane University. ➢ The founder of Taiwan Express 	<ul style="list-style-type: none"> ➢ Chairman: Taiwan Express, TEC logistics. ➢ Board director: THI logistics, TEC logistics (Shenzhen), TEC logistics (Hong Kong), TEC logistics (USA), Taiwan Express (USA), Hiview Logistics, Central Taiwan Science Park Logistics., INMAX SDN. BHD., AIRTROPOLIS EXPRESS(S) PTE LTD. (ATP). ➢ The supervisor: Orient Air General Sales Agent, GGA Corp. ➢ The independent director of San Far Property Ltd. 	1,908,969 shares
DYNAMIC OCEAN GROUP LIMITED Representative: Carl Wei	<ul style="list-style-type: none"> ➢ DBA in Fu Jen Catholic University ➢ The CEO of THI Logistics Sea business. ➢ Manager of JI YE Shipping ➢ Manager of Taining Shipping Agent ➢ The vice president of Kuang Ming Shipping Corp. ➢ The senior vice president of YANGMING MARINE TRANSPORT CORP. 	The director of Moorluk International Shipping.	3,912,398 shares
YI-WEI INVESTMENT Ltd. Representative: Ji-Zhi Hsieh	Major in CCU Natural Resource.	<ul style="list-style-type: none"> ➢ The GM and board of director of Mei-Ton Rubber. ➢ The president of CHIEF OVERSEA Trading. ➢ The board of director of Cambodia Asia Flour Mill Corp. ➢ THI Logistics board director 	2,000,774 shares

Independent Director:

Name	Education & Experience	Present position	Shareholding
Li-Chiu Chang	<ul style="list-style-type: none"> ➢ Master of insurance in NCU. ➢ Financial Supervisory Commission ➢ The president of Yuanta Securities. ➢ The GM of Dahwa Securities. ➢ The auditor, chief, and leader of Financial Supervisory Commission ➢ The auditor of National Taxation Bureau of Taipei ➢ The highest consultant of Yuanta Securities 	<ul style="list-style-type: none"> ➢ Chairman: FOCI Fiber Optic Communications, Panion & BF Biotech Inc., Herbiotek Co., Ltd. ➢ Independent director: TA YA ELECTRIC WIRE & CABLE, ACME Electronics, Tanvex BioPharma, Inc. ➢ The CEO of Sun Ten Group. ➢ Board director: Sun Ten International, SHIDING Venture Capital. 	0 share
Ming-Hsu Tsai	<ul style="list-style-type: none"> ➢ Master of Public Administration in NCU. ➢ The senior vice president of YANGMING MARINE 	The independent director of YANG MING MARINE TRANSPORT CORP.	0 share

	TRANSPORT CORP. ➤ The chairman of Kuang Ming Shipping Corp.		
Jeff Lin	➤ Chinese Literature in NCU. ➤ The lecturer of Mingdao High School ➤ The teacher of Tamkang High School. ➤ The manager of HR and Administrative Department of KPMG Accounting Firm.	None	61,000 shares

Voting Results

5. Other Discussion Items

Proposal: (Proposed by the Board)

Proposal of Release the Prohibition on Directors from Participation in Competitive Business

Explanation:

i. According to the Article 209 of Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.

ii. The detail of directors from participation in competitive business is as follows:

Name	Participation in Competitive Business
David Yen	Director: Dynamic Ocean Group Limited, Hope Ocean International LTD. The president of Jin-Hua Investment Ltd.
Hope Ocean International LTD Representative: Tony Lin	The director of LOGI International Co., Ltd.
Jack Lai	Director: PT. Dexter Eurekatama, LOGI International Co., Ltd.
CHANG-JIE International Representative: Benison Hsu	Director: Central Taiwan Science Park Logistics, INMAX SDN. BHD. The independent director of San Far Property Ltd.
YI-WEI INVESTMENT Ltd. Representative: Ji-Zhi Hsieh	Director: Mei-Ton Rubber, he director of Cambodia Asia Flour Mill Corp The president of CHIEF OVERSEA Trading.
Li-Chiu Chang	President: FOCI Fiber Optic Communications, Panion & BF Biotec Inc., Herbiotek Co., Ltd. Director: Sun Ten International Ltd., SHIDING Venture Capital Independent director: TA YA ELECTRIC WIRE & CABLE, ACME

	Electronics, Tanvex BioPharma, Inc.
Ming-Hsu Tsai	The independent director of YANG MING MARINE TRANSPORT CORP.

iii. Please proceed to discuss.

Resolution:

6. Special Motion

7. Meeting Adjourned

Attachment 1: 2018 Business Report

Now, I hereby thanks to every shareholders on behalf of T3EX group for your cares and supports. The Company still keeps the strong business foundation and sensitive market insight to expand the business scale and increase global operating locations including Taiwan, Hong Kong, China, Japan, Korea, Vietnam, Thailand, Cambodia, Singapore, Malaysia, and Indonesia. By effective group resource integration, the Company not only provide an international logistics services but also provide comprehensive logistics such as customs declaration, warehousing, delivering, and supply-chain management. Via deep local culture cultivation and more potential markets development, the Company anticipates that the brand will step to a level of global market leader.

2018 Review

Expressed in thousands of New Taiwan Dollars	2018	2017	YoY
Revenue	11,536,269	10,537,008	9.48%
Gross Profit	1,963,236	1,924,035	2.04%
Gross Margin	17.02%	18.26%	-1.24%
Profit after tax	366,598	252,737	45.05%
EPS(Dollars)	3.07	2.07	48.31%

In 2018, our revenue has made a new record, reaching NT\$11.536 billion, increasing 9.48% from 2017, and the revenue exceeded NT\$10 billion for the second consecutive year. As for our profit, the net profit after tax reached NT\$366 million, and the after-tax earnings per share reached NT\$3.07, which is our best achievement since listing.

As for products, since the trade war between the United States and China started in the second half of 2018, manufacturers shipped goods in large quantities in the second half of 2018 in order to avoid tariffs. The freight and volume for ocean and air freight market skyrocketed during the second half of the year, the 2018 revenue for shipments by ocean reached NT\$6.5 billion, increasing 10% from the same period of last year; gross profit reached NT\$1.1 billion, which is about equivalent to the same period of last year. The volume of ocean shipment increased by 12% compared with the same period of last year. The revenue of air freight operations reached NT\$3.46 billion, increasing 15% from the same period last year. The gross profit reached NT\$470 million, increasing 10% from the same period last year. The volume of air shipment increased 6% compared with the same period last year.

In 2018, the revenue of logistics business was NT\$1.56 billion, a slight decrease of 4% compared with the same period of last year. The gross profit reached NT\$380 million, a slight increase of 3% compared with the same period of last year. Although the revenue of logistics business decreased slightly, profit grew. This was mainly due to the downsizing of logistics business in the subsidiary in Shanghai, which significantly reduced losses.

2019 Outlook

1. The outlook of ocean freight market:

As the implementation date for 2020 low-sulphur fuel compliance by the International Maritime Organization (IMO) is approaching, shipping companies are speeding up the dismantling of old ships and retrofitting on existing ships to install exhaust scrubbers; according to Alphaliner survey, a little more than 30 container ships each month will be removed from service to retrofit them with scrubbers in the second half of this year. The container ship capacity continues to decline, and it is expected that supply and demand can be balanced this year.

In order to reduce the impact of the trade war between the United States and China on the ocean business, the Company continued to develop non-US routes such as Europe, Africa, the Middle East, New Zealand and Australia, and continue to invest in the Southeast Asian market. As the trade war between the United States and China continues to affect the global economic and trade environment, the global supply chain structure is transferring to different regions. Southeast Asia with its demographic dividend and land resource is benefiting the most. The company has been developing the Southeast Asian market for more than 10 years. Currently, it has established more than 10 branches in Vietnam, Thailand, Singapore, Malaysia, Cambodia and Indonesia. The overall revenue from the East Asia region for the first quarter of the year (including Southeast Asia, Japan and South Korea) increased 113% compared with the same period last year. The group will also set up a new company in the Philippines this year, and continue to develop the ASEAN market in the future.

2. The outlook of China-Europe Railway:

According to the statistics of China Railway, in 2018, there were 6,300 China-Europe train, an increase of 72% each year and approximately the sum of all the China-Europe railways heading from 2011-2017, 80% of the goods are concentrated in Chengdu, Chongqing, Xi'an, Wuhan and Zhengzhou; the 2nd Belt and Road Forum for International Cooperation was held in Beijing on 25th of April in 2019. The 2019 goals for China-Europe railway set by the Chinese government are to promote the utilization of information technology and create digital railways and to strengthen the integration of China-Europe railways and local industries. Therefore, promoting the China-Europe railway business is one of the main objectives of the local government of China.

The company started China-Europe railway business in 2014. In 2019, we founded a railway division and mainly focus on the China-Europe railway business and established teams in 17 cities including Zhengzhou, Dalian, Chengdu, Chongqing, Xi'an and Wuhan. For the first quarter of 2019, the gross profit of China-Europe railway business increased 24% compared with the same period of last year and in April 2019, we booked an entire train from Zhengzhou to Hamburg, German for the first time and the revenue from a single train is nearly \$RMB 1 million. We will continue to strive for the business opportunities of booking entire trains by expanding our collaboration with overseas agencies in Russia and Europe in the future to actively promote the China-Europe railway business.

3. The outlook of air freight market:

There has been a slowdown in this year's demand for electronic consumer products and the trade war between the United States and China has caused tension in the global trade environment. Our customers have responded by reducing inventory, thus it is expected that momentum for global trade will slow down this year. However, the Company still facilitates growth in its air cargo business by its own sales abilities, such as attracting orders from the international enterprise customer through our

investments in the Singaporean logistics and warehouse company ATP in the fourth quarter of 2018, increase orders by striving for agency opportunities in Europe, China and Middle Eastern markets, and continue to increase volume of logistics services to cross-border e-commerce.

4. The outlook of China domestic logistics:

In 2018, China held its first China International Import Expo in Shanghai. The president of China, Xi Jinping said in his opening speech that China would lower tariffs and reduce the cost of the importing procedures. He announced that China will import goods worth \$USD 24 trillion in the next 15 years, and China will be transformed from a “major exporting country” to a "major importing country" and transformed from "world’s factory" to "world’s market." With the promotion of the Chinese government, logistics importing service will be urgently needed. China is currently the country with the biggest demand for logistics services in the world, but most of the resources are scattered and divided, resulting in high logistics costs. Therefore, providing customers with efficient logistics supply chain will be the key to success.

Future operating strategy and development plan

With globalization, global procurement, global production, global circulation, and global consumption have become the growing trend, and the logistics industry is also facing a critical period of transition toward intelligent logistics. The T3EX group supply chain platform expanded its service from business-to-business to business-to-business-to-consumer through its many services such as multimodal transport, warehousing and distribution, e-commerce platform, cross-border e-commerce logistics, customs declaration and supply chain finance. At the same time, integrated logistics, product flow, data and cash flow through big data analysis to gain higher added value. This year, the T3EX group will continue to integrate internal resources and operate on an asset-light strategy. The main priorities are:

1. Develop various route and market through multimodal transport.
2. Build smart warehouse of B2B2C.
3. Develop cross border e-commerce logistics including Inter-Asia, USA and Europe area.
4. Develop supply chain finance service.

We will continue to strengthen our expertise and create greater values for our shareholders.

Chairman: David Yen
General Manager: Echo Wan
Accounting Management: Allen Hou

Attachment 2: Audit Report by Supervisors

**T3EX Global Holdings Corp.
Audit Report by Supervisors**

Date: March 26, 2019

The Board reports the financial statement, business report, and earnings distribution proposal of 2018, and financial statement have been audited by KPMG Taiwan. The financial statements, business report and earnings distribution proposal have been audited by us as Supervisors of the Company. We deem no inappropriateness on these documents. Pursuant to Article 219 of the Company Act, we hereby present the audited report. Please review.

Submitted to:

2019 Regular Shareholders' Meeting of the Company

Supervisor: YI-WEI INVESTMENT Representative: Chin-Chou Hsu

Supervisor: Shen-Li Liao

Attachment 4: Financial Statement

Independent Auditors' Audit Report

To the Board of Directors of T3ex Global Holdings Corp.

Opinion

We have audited the consolidated financial statements of T3ex Global Holdings Corp. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2018 and 2017, the consolidated statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audits 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 significance 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 as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Revenue recognition

Please refer to Note 4(o) "Revenue recognition" of consolidated financial statements and Note 6(u) "Revenue from contracts with customer" for the details of operating revenues of consolidated financial statements.

Description of key audit matter:

The Group mainly engages in sea and air freight forwarding, and total logistics solution. Therefore, the revenue is a matter to the users of the consolidated financial statements. Consequently, this is one of the key assessment areas in our audit.

How the matter was addressed in our audit:

Understanding the internal control on revenue recognition applied by the management and assessing whether appropriate accounting policy is applied; performing the analysis on revenue from the top ten customers to verify whether or not any unusual transaction has incurred; performing the sampling procedures to verify records and supporting document of the transactions; selecting a period before and after the reporting date to assess whether revenue recognized in the correct period.

2. Goodwill and other intangible assets impairment assessment

Please refer to Notes 4(l) “Impairment of non-financial assets” of the consolidated financial statements, Note 5 for assumptions on the accounting estimates and assumptions on the impairment of goodwill and other intangible assets of the consolidated financial statements, and Note 6(j) for the details of the intangible assets in consolidated financial statements.

Description of key audit matter:

The accounting policy applying to the goodwill and other intangible assets arising from acquisition transactions is with the uncertainty estimation. Consequently, this is one of the key assessment areas in our audit.

How the matter was addressed in our audit:

Understanding the internal control on the impairment assessment of the goodwill and other intangible assets; selecting significant goodwill and other intangible assets; obtaining impairment assessment reports issued by an external expert engaged by the management; assessing model, parameters and assumptions applying to the financial information forecast; and evaluating whether the assessment for goodwill and other intangible assets was based on the accounting policies.

3. Accounts receivable evaluation

Please refer to Note 4(g) “impairment of financial assets” of consolidated financial statements, Note 5 “Estimation uncertainty of the impairment of the receivable” of consolidated financial statements and Note 6(f) “impairment of the receivables” of consolidated financial statements.

Description of key audit matter:

The Group deal with its main customers on credit, so Group's receivables are exposed to the credit risk. When the customer defaults, the receivables may be impaired. Since the collectability assessment of receivables depends on management's judgment. Consequently, this is one of the key assessment areas in our audit.

How the matter was addressed in our audit:

Understanding impairment policy applied to the receivables by the management; assessing whether it is based on appropriate accounting policies. Inquiring the management whether there was any receivable with difficulty to collect; performing a sampling procedure to check the correctness of the aging of receivables and to review the collection of receivables in the subsequent period to understand if there was any significant overdue receivables to evaluate the provisions for impairment of receivables are adequate.

Other Matter

T3EX Global Holdings Corp. has prepared its parent-company-only financial statements as of and for the years then ended December 31, 2018 and 2017, on which we have expressed an unqualified opinion.

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 with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect 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 (including supervisors) 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, 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 that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chi-Lung Yu and Mei-Ping Wu.

KPMG

Taipei, Taiwan (Republic of China)
March 26, 2019

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

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2018 and 2017

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2018		December 31, 2017		Liabilities and Equity		December 31, 2018		December 31, 2017	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (notes 6(a) & (z))	\$ 1,726,979	31	1,491,532	29	2100	Short-term borrowings (notes 6(k) & (z))	\$ 1,310,920	24	1,067,000	21
1110	Current financial assets at fair value through profit or loss (notes 6(b) & (z))	28,925	1	7,131	-	2120	Financial liabilities at fair value through profit or loss-current (note 6(b), (m) & (z))	-	-	2	-
1120	Current financial assets at fair value through other comprehensive income (notes 6(c) & (z))	75,897	1	-	-	2150	Notes payable (note 6(z))	22,623	-	33,199	1
1125	Current-available-for-sale financial assets (notes 6(d) & (z))	-	-	126,823	2	2170	Accounts payable (note 6(z))	837,444	15	799,475	15
1150	Notes receivable, net (notes 6(f) & (z))	42,442	1	65,899	1	2180	Accounts payable to related parties (notes 6(z) & 7)	1,515	-	594	-
1170	Accounts receivable, net (notes 6(f) & (z))	1,919,529	34	1,697,982	33	2219	Other payables (notes 6(o) & (z))	395,397	7	378,571	7
1180	Accounts receivable due from related parties, net (note 6(f), (z) & 7)	1,216	-	4,056	-	2230	Current tax liabilities	74,571	1	95,734	2
1470	Other current assets (notes 6(h), (z) & 8)	393,899	7	430,922	8	2321	Current portion of convertible bonds (notes 6(m) & (z))	-	-	296,904	6
	Current assets	<u>4,188,887</u>	<u>75</u>	<u>3,824,345</u>	<u>73</u>	2322	Current portion of long-term borrowings (notes 6(l) & (z))	1,674	-	-	-
	Non-current assets:					2399	Other current liabilities (notes 6(h) & (z))	10,420	-	28,808	1
1517	Financial assets at fair value through other comprehensive income-non current (notes 6(c) & (z))	165,407	3	-	-		Current liabilities	<u>2,654,564</u>	<u>47</u>	<u>2,700,287</u>	<u>53</u>
1524	Non-current available-for-sale financial assets (notes 6(d) & (z))	-	-	92,400	2	2540	Non-Current liabilities:				
1543	Non-current financial assets at cost (notes 6(e) & (z))	-	-	38,800	1	2640	Long-term borrowings (note 6(l) & (z))	205,564	4	-	-
1550	Investments accounted for using equity method (note 6(g))	49,288	1	66,585	1		Net defined benefit liabilities, non-current (note 6(o))	79,216	1	84,657	2
1600	Property, plant and equipment (notes 6(i) & 8)	282,104	5	301,090	6		Non-current liabilities	<u>284,780</u>	<u>5</u>	<u>84,657</u>	<u>2</u>
1805	Goodwill (note 6(j))	531,504	10	527,494	10		Total liabilities	<u>2,939,344</u>	<u>52</u>	<u>2,784,944</u>	<u>55</u>
1821	Other intangible assets, net (notes 6(h)&(j))	124,347	2	102,815	2		Equity attributable to owners of parent (notes 6(c), (h), (m) & (q)) :				
1840	Deferred tax assets (note 6(p))	47,474	1	42,421	1	3100	Ordinary shares	1,183,455	21	1,185,655	22
1920	Refundable deposits paid (notes 6(z) & 8)	146,958	2	137,153	3	3200	Capital surplus	808,958	15	872,754	17
1995	Other non-current assets (note 8)	52,237	1	44,448	1	3300	Retained earnings	676,879	12	424,932	8
	Non-current assets	<u>1,399,319</u>	<u>25</u>	<u>1,353,206</u>	<u>27</u>	3400	Other equity	(125,430)	(2)	(137,519)	(3)
						3500	Treasury shares	(60,643)	(1)	(66,349)	(1)
							Equity attributable to owners of the Company	<u>2,483,219</u>	<u>45</u>	<u>2,279,473</u>	<u>43</u>
						36xx	Non-controlling interests	165,643	3	113,134	2
							Total equity	<u>2,648,862</u>	<u>48</u>	<u>2,392,607</u>	<u>45</u>
Total assets		<u>\$ 5,588,206</u>	<u>100</u>	<u>5,177,551</u>	<u>100</u>		Total liabilities and equity	<u>\$ 5,588,206</u>	<u>100</u>	<u>5,177,551</u>	<u>100</u>

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)
T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2018 and 2017
(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		<u>2018</u>		<u>2017</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenue (notes 6(u), (v) &7)	\$ 11,536,269	100	10,537,008	100
5000	Operating costs (notes 6(n), (o), 7 & 12)	9,573,033	83	8,612,973	82
	Gross profit from operations	<u>1,963,236</u>	<u>17</u>	<u>1,924,035</u>	<u>18</u>
	Operating expenses (notes 6(n), (o), (t) & 12)				
6100	Selling expenses	1,164,830	10	1,089,712	11
6200	Administrative expenses	418,529	4	437,878	4
6450	Impairment loss determined in accordance with IFRS 9 (note 6(f))	3,679	-	-	-
	Total operating expenses	<u>1,587,038</u>	<u>14</u>	<u>1,527,590</u>	<u>15</u>
	Net operating income	<u>376,198</u>	<u>3</u>	<u>396,445</u>	<u>3</u>
	Non-operating income and expenses:				
7010	Other income (note 6(w))	26,751	-	9,708	-
7020	Other gains and losses (notes 6(b), (h) & (x))	25,609	-	(24,917)	-
7060	Share of profit of associates using equity method (note 6(g))	900	-	349	-
7510	Finance costs (notes 6(m) & (y))	(22,433)	-	(27,556)	-
	Total non-operating income and cost	<u>30,827</u>	<u>-</u>	<u>(42,416)</u>	<u>-</u>
	Profit before tax	<u>407,025</u>	<u>3</u>	<u>354,029</u>	<u>3</u>
7950	Less: income tax expenses (note 6(p))	<u>40,427</u>	<u>-</u>	<u>101,292</u>	<u>1</u>
	Profit	<u>366,598</u>	<u>3</u>	<u>252,737</u>	<u>2</u>
8300	Other comprehensive income:				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Remeasurements of defined benefit plans	675	-	(2,462)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(28,590)	-	-	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
		<u>(27,915)</u>	<u>-</u>	<u>(2,462)</u>	<u>-</u>
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of foreign operations	(2,788)	-	(92,886)	(1)
8362	Unrealized losses on available-for-sale financial assets	-	-	(23,045)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Total items that may be reclassified subsequently to profit or loss	<u>(2,788)</u>	<u>-</u>	<u>(115,931)</u>	<u>(1)</u>
8300	Other comprehensive income	<u>(30,703)</u>	<u>-</u>	<u>(118,393)</u>	<u>(1)</u>
	Total comprehensive income	<u>\$ 335,895</u>	<u>3</u>	<u>134,344</u>	<u>1</u>
	Profit attributable to:				
	Owners of parent	\$ 354,930	3	240,110	2
	Non-controlling interests	11,668	-	12,627	-
		<u>\$ 366,598</u>	<u>3</u>	<u>252,737</u>	<u>2</u>
	Comprehensive income attributable to:				
	Owners of parent company	\$ 325,147	3	125,685	1
	Non-controlling interests	10,748	-	8,659	-
		<u>\$ 335,895</u>	<u>3</u>	<u>134,344</u>	<u>1</u>
	Earnings per share (note 6(s))				
	Basic earnings per share (NT Dollars)	<u>\$ 3.07</u>		<u>2.07</u>	
	Diluted earnings per share (NT Dollars)	<u>\$ 2.96</u>		<u>1.93</u>	

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)
T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the years ended December 31, 2018 and 2017
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent													
	Retained earnings						Total other equity interest							
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income			Unrealized gains (losses) on available-for-sale financial assets	Total other equity interest	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests
Exchange differences on translation of foreign financial statements							value	through						
Balance on January 1, 2017	\$ 1,195,264	865,337	138,575	7,116	140,264	285,955	(29,591)	-	4,035	(25,556)	(61,801)	2,259,199	126,295	2,385,494
Profit	-	-	-	-	240,110	240,110	-	-	-	-	-	240,110	12,627	252,737
Other comprehensive income	-	-	-	-	(2,462)	(2,462)	(88,918)	-	(23,045)	(111,963)	-	(114,425)	(3,968)	(118,393)
Total comprehensive income	-	-	-	-	237,648	237,648	(88,918)	-	(23,045)	(111,963)	-	125,685	8,659	134,344
Appropriation and distribution of retained earnings:														
Legal reserve appropriated	-	-	13,049	-	(13,049)	-	-	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	18,440	(18,440)	-	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(92,637)	(92,637)	-	-	-	-	-	(92,637)	-	(92,637)
Conversion of convertible bonds	13,756	15,544	-	-	-	-	-	-	-	-	-	29,300	-	29,300
Issue of ordinary share for employees shares option	275	77	-	-	-	-	-	-	-	-	-	352	-	352
Purchase of treasury stock	-	-	-	-	-	-	-	-	-	-	(56,159)	(56,159)	-	(56,159)
Retirement of treasury stock	(23,640)	(27,971)	-	-	-	-	-	-	-	-	51,611	-	-	-
Changes in ownership of subsidiaries	-	19,767	-	-	(6,034)	(6,034)	-	-	-	-	-	13,733	(17,231)	(3,498)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(4,589)	(4,589)
Balance on December 31, 2017	1,185,655	872,754	151,624	25,556	247,752	424,932	(118,509)	-	(19,010)	(137,519)	(66,349)	2,279,473	113,134	2,392,607
Effects of retrospective application	-	-	-	-	490	490	-	23,606	19,010	42,616	-	43,106	-	43,106
Balance on January 1, 2018 after adjustments	1,185,655	872,754	151,624	25,556	248,242	425,422	(118,509)	23,606	-	(94,903)	(66,349)	2,322,579	113,134	2,435,713
Profit	-	-	-	-	354,930	354,930	-	-	-	-	-	354,930	11,668	366,598
Other comprehensive income	-	-	-	-	675	675	(1,868)	(28,590)	-	(30,458)	-	(29,783)	(920)	(30,703)
Total comprehensive income	-	-	-	-	355,605	355,605	(1,868)	(28,590)	-	(30,458)	-	325,147	10,748	335,895
Appropriation and distribution of retained earnings:														
Legal reserve appropriated	-	-	24,011	-	(24,011)	-	-	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	111,961	(111,961)	-	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(104,217)	(104,217)	-	-	-	-	-	(104,217)	-	(104,217)
Cash dividends from capital surplus	-	(46,318)	-	-	-	-	-	-	-	-	-	(46,318)	-	(46,318)
Retirement of treasury stock	(2,200)	(3,506)	-	-	-	-	-	-	-	-	5,706	-	-	-
Changes in non-controlling interests	-	(13,972)	-	-	-	-	-	-	-	-	-	(13,972)	41,761	27,789
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	69	69	-	(69)	-	(69)	-	-	-	-
Balance on December 31, 2018	\$ 1,183,455	808,958	175,635	137,517	363,727	676,879	(120,377)	(5,053)	-	(125,430)	(60,643)	2,483,219	165,643	2,648,862

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

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2018 and 2017

(Expressed in Thousands of New Taiwan Dollars)

	2018	2017
Cash flows from operating activities:		
Profit before tax	\$ 407,025	354,029
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	39,030	40,656
Amortization expense	18,984	16,451
Expected credit loss / Provision for bad debt expense	3,679	3,442
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	370	(24)
Interest expense	22,433	27,556
Interest income	(23,095)	(5,976)
Share of profit of associates accounted for using equity method	(900)	(349)
Loss from disposal of property, plant and equipment	2,697	2,004
Gain from disposal of investments	(2,900)	(7,161)
Loss from disposal of investments accounted for using equity method	4,117	-
Loss on impairment of goodwill	-	31,892
Gain on evaluation of investments payable	(1,431)	(45,122)
Total adjustments to reconcile profit (loss)	<u>62,984</u>	<u>63,369</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in notes receivable	23,457	(34,248)
Increase in accounts receivable	(126,827)	(70,171)
Decrease (increase) in accounts receivable due from related parties	2,841	(3,546)
Decrease (increase) in other current assets	51,033	(63,204)
Increase in other operating assets	(1,163)	(3,957)
Total changes in operating assets	<u>(50,659)</u>	<u>(175,126)</u>
Changes in operating liabilities:		
Increase (decrease) in notes payable	(10,576)	14,873
Decrease in accounts payable	(15,289)	(33,047)
Increase (decrease) in accounts payable to related parties	921	(580)
Increase in other payables	(220)	17,572
Decrease (increase) in other current liabilities	(11,666)	(3,963)
Decrease in net defined benefit liability	(4,768)	(512)
Total changes in operating liabilities	<u>(41,598)</u>	<u>(5,657)</u>
Total changes in operating assets and liabilities	<u>(92,257)</u>	<u>(180,783)</u>
Total adjustments	<u>(29,273)</u>	<u>(117,414)</u>
Cash inflow generated from operations	377,752	236,615
Interest received	23,095	5,976
Interest paid	(19,714)	(14,685)
Income taxes paid	(61,979)	(74,594)
Net cash flows from operating activities	<u>319,154</u>	<u>153,312</u>
Cash flows from (used in) investing activities:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	6,898	-
Acquisition of financial assets at fair value through profit or loss	(68,222)	-
Proceeds from disposal of financial assets at fair value through profit or loss	73,291	-
Acquisition of available-for-sale financial assets	-	(261,017)
Proceeds from disposal of available-for-sale financial assets	-	55,342
Acquisition of investments accounted for using equity method	-	(8,894)
Capital increase to subsidiaries	-	(3,498)
Net cash flows used in acquisition of subsidiaries (deduct purchasing cash amount)	(57,387)	-
Acquisition of property, plant and equipment	(22,876)	(33,572)
Proceeds from disposal of property, plant and equipment	1,338	2,478
Decrease (increase) in refundable deposits	(9,805)	3,309
Acquisition of intangible assets	(3,827)	(24,401)
Decrease in investments payable	(6,265)	(39,358)
Dividends received	3,485	3,630
Net cash flows used in investing activities	<u>(83,370)</u>	<u>(305,981)</u>
Cash flows from (used in) financing activities:		
Increase in short-term loans	243,920	500,000
Repayments of bonds	(299,500)	(65,400)
Proceeds from long-term loans	207,238	-
Cash dividends paid	(150,535)	(92,637)
Proceeds from exercise of employee stock options	-	352
Payments to acquire treasury stock	-	(56,159)
Other financing activities	-	(4,589)
Net cash flows from financing activities	<u>1,123</u>	<u>281,567</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(1,460)</u>	<u>(85,947)</u>
Net increase (decrease) in cash and cash equivalents	<u>235,447</u>	<u>42,951</u>
Cash and cash equivalents at beginning of period	<u>1,491,532</u>	<u>1,448,581</u>
Cash and cash equivalents at end of period	<u>\$ 1,726,979</u>	<u>1,491,532</u>

Independent Auditors' Audit Report

To the Board of Directors of T3EX Global Holdings Corp.:

Opinion

We have audited the financial statements of T3EX Global Holdings Corp. ("the Company"), which comprise the balance sheets as of December 31, 2018 and 2017, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2018 and 2017, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

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 Financial Statements section of our report. We are independent of the Company 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 significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Revenue recognition

Please refer to Note 4(o) "Revenue recognition" of financial statement and Note 6(s) "Revenue from contracts with customer" for the details of operating revenues of financial statements.

Description of key audit matter:

T3EX Global Holdings Corp. is an industrial holding company. Its main operating revenue is from the share of profit of associates accounted for using equity method and the services revenue from subsidiaries by providing management services. We expect that its revenue recognition is the matter to the users of the financial statements. Consequently, this is one of the key assessment areas in our audit on parent-company-only financial statements of T3EX Global Holding Corp.

How the matter was addressed in our audit:

Our principle audit procedures included understanding the internal control on revenue recognition applied by the management; assessing whether its revenue recognition had been carried out in accordance with the established accounting policy; checking whether T3EX Global Holdings Corp. had calculated and recognized the share of profits and losses of its subsidiaries and associates by using the equity method; comparing the differences between the investment cost and the net equity of its subsidiaries and associates, to ensure that they had been properly handled. Issuing confirmation letter to T3EX Global Holdings Corp.' s subsidiaries to inquire the amount of the management services fee.

2. Equity method investees impairment assessment

Please refer to Note 4(l) "Impairment-non-derivative financial assets" for accounting policies, Note 5 "assumptions on the accounting estimates and assumptions of the impairment of Equity method investees" and Note 6 (f) for the details of Equity method investees in the financial statements.

Description of key audit matter:

The goodwill and other intangible assets arising from acquisition transactions booked as the investment under the equity method of parent-company-only financial statements. The accounting policy applying to the goodwill and other intangible assets arising from acquisition transactions is with the uncertainty estimation. Consequently, this is one of the key assessment areas in our audit on parent-company-only financial statements of T3EX Global Holding Corp.

How the matter was addressed in our audit:

Our principle audit procedures included understanding the internal control on the impairment assessment of the goodwill and other intangible assets; selecting significant goodwill and other intangible assets and obtaining impairment assessment reports issued by the external experts engaged by the management; assessing model, parameters and assumptions applying to the financial information forecast; and evaluating whether the assessment for goodwill and other intangible assets was based on the accounting policies.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company' 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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including supervisors) are responsible for overseeing the Company' s financial reporting process.

Auditor’ s Responsibilities for the Audit of the Parent-company-only Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Company’ 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 Company’ 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 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 Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the 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 that were of most significance in the audit of the financial statements of the current period 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 Chi-Lung Yu and Mei-Ping Wu.

KPMG

Taipei, Taiwan (Republic of China)
March 26, 2019

(English Translation of Financial Statements Originally Issued in Chinese)

T3EX GLOBAL HOLDINGS CORP.

Balance Sheets

December 31, 2018 and 2017

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2018		December 31, 2017		December 31, 2018		December 31, 2017	
		Amount	%	Amount	%	Amount	%	Amount	%
Assets									
Current assets:									
1100	Cash and cash equivalents (notes 6(a),(v)&(x))	\$ 44,807	1	66,898	2	\$ 1,090,000	28	880,000	24
1110	Current financial assets at fair value through profit or loss (notes 6(b)&(v))	28,925	1	7,131	-	-	-	2	-
1125	Current available-for-sale financial assets, net (notes 6(d)&(v))	-	-	126,818	4	1,007	-	981	-
1120	Current financial assets at fair value through other comprehensive income (notes 6(c)&(v))	75,894	2	-	-	35,289	1	24,472	1
1180	Accounts receivable due from related parties, net (notes 6(e),(s),(v)&7)	41,148	1	45,726	1	90,409	3	99,404	3
1210	Other receivables due from related parties, net (notes 6(v)&7)	120,000	3	100,000	3	-	-	636	-
1470	Other current assets (note 6(g))	10,400	-	64,912	2	-	-	296,904	8
	Current assets	<u>321,174</u>	<u>8</u>	<u>411,485</u>	<u>12</u>	<u>197</u>	<u>-</u>	<u>7,704</u>	<u>-</u>
	Non-current assets:					<u>1,216,902</u>	<u>32</u>	<u>1,310,103</u>	<u>36</u>
1524	Non-current available-for-sale financial assets (notes 6(d)&(v))	-	-	92,400	3	200,000	5	-	-
1517	Non-current financial assets at fair value through other comprehensive income (notes 6(c)&(v))	76,400	2	-	-	12,617	-	22,287	2
1550	Investments accounted for using equity method (note 6(g))	3,302,557	84	2,889,911	79	212,617	5	22,287	2
1600	Property, plant and equipment (notes 6(h)&8)	183,946	5	188,478	5	<u>1,429,519</u>	<u>37</u>	<u>1,332,390</u>	<u>38</u>
1821	Other intangible assets, net (note 6(i))	21,776	1	22,614	1				
1840	Deferred income tax assets (note 6(n))	6,549	-	6,549	-				
1920	Refundable deposits (notes 6(v)&8)	336	-	426	-				
	Non-current assets	<u>3,591,564</u>	<u>92</u>	<u>3,200,378</u>	<u>88</u>				
	Total assets	<u>\$ 3,912,738</u>	<u>100</u>	<u>3,611,863</u>	<u>100</u>				
Liabilities and Equity									
Current liabilities:									
2100	Short-term borrowings (notes 6(j)&(v))								
2120	Current financial liabilities at fair value through profit or loss (notes 6(b),(l)&(v))								
2150	Notes payable (note 6(v))								
2200	Other payables (notes 6(m)&(v))								
2220	Other payables to related parties (notes 6(v)&7)								
2230	Current tax liabilities								
2321	Convertible bond current portion (notes 6(l) & (v))								
2399	Other current liabilities (notes 6(g)&(v))								
	Current liabilities								
	Non-Current liabilities:								
2540	Total long-term borrowings (notes 6(k)&(v))								
2640	Net defined benefit liability, non-current (note 6(m))								
	Non-current liabilities								
	Total liabilities								
	Equity attributable to owners of parent (notes 6(g),(l)&(o)):								
3110	Ordinary shares								
3200	Capital surplus								
3300	Retained earnings								
3400	Other equity interest								
3500	Treasury shares								
	Total equity (note 6(x))								
	Total liabilities and equity								

(English Translation of Financial Statements Originally Issued in Chinese)

T3EX GLOBAL HOLDINGS CORP.

Statements of Comprehensive Income

For the years ended December 31, 2018 and 2017

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

		2018		2017	
		Amount	%	Amount	%
4000	Operating revenues (notes 6(f),(s),(t)&7)	\$ 435,491	100	289,873	100
5000	Operating costs (notes 6(m)&(r))	76,747	18	81,938	28
	Gross profit from operations	358,744	82	207,935	72
	Net operating income	358,744	82	207,935	72
	Non-operating income and expenses:				
7010	Other income (notes 6(u)&7)	6,028	1	6,067	2
7020	Other gains and losses, net (notes 6(g)&(u))	5,542	1	48,966	17
7510	Financial costs (note 6(u))	(14,673)	(2)	(20,996)	(7)
	Profit before income tax	355,641	82	241,972	84
7950	Less: income tax expenses(note 6(n))	711	-	1,862	1
	Profit	354,930	82	240,110	83
8300	Other comprehensive income:				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Remeasurements of defined benefit plans	1,196	-	35	-
8316	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income	(28,590)	(7)	-	-
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, item that will not be reclassified to profit or loss	(521)	-	(2,497)	(1)
	Components of other comprehensive income that will not be reclassified to profit or loss	(27,915)	(7)	(2,462)	(1)
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(1,868)	-	(88,918)	(31)
8362	Unrealized losses on available-for-sale financial assets	-	-	(23,045)	(8)
	Components of other comprehensive income that will be reclassified to profit or loss	(1,868)	-	(111,963)	(39)
8300	Other comprehensive income, (after tax)	(29,783)	(7)	(114,425)	(40)
	Comprehensive income	<u>\$ 325,147</u>	<u>75</u>	<u>125,685</u>	<u>43</u>
	Earnings per share (note 6(q)) (TWD)				
	Basic earnings per share	<u>\$ 3.07</u>		<u>2.07</u>	
	Diluted earnings per share	<u>\$ 2.96</u>		<u>1.93</u>	

(English Translation of Financial Statements Originally Issued in Chinese)

T3EX GLOBAL HOLDINGS CORP.

Statements of Changes in Equity

For the years ended December 31, 2018 and 2017

(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings						Total other equity interest					Treasury shares	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Unrealized gains (losses) on available-for-sale financial assets	Total other equity interest			
Balance on January 1, 2017	\$ 1,195,264	865,337	138,575	7,116	140,264	285,955	(29,591)	-	4,035	(25,556)	(61,801)	2,259,199	
Profit	-	-	-	-	240,110	240,110	-	-	-	-	-	240,110	
Other comprehensive income	-	-	-	-	(2,462)	(2,462)	(88,918)	-	(23,045)	(111,963)	-	(114,425)	
Total comprehensive income	-	-	-	-	237,648	237,648	(88,918)	-	(23,045)	(111,963)	-	125,685	
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	-	13,049	-	(13,049)	-	-	-	-	-	-	-	
Special reserve appropriated	-	-	-	18,440	(18,440)	-	-	-	-	-	-	-	
Stock dividends of ordinary share	-	-	-	-	(92,637)	(92,637)	-	-	-	-	-	(92,637)	
Conversion of convertible bonds	13,756	15,544	-	-	-	-	-	-	-	-	-	29,300	
Issuance of shares for exercise of employee stock options	275	77	-	-	-	-	-	-	-	-	-	352	
Purchase of treasury share	-	-	-	-	-	-	-	-	-	-	(56,159)	(56,159)	
Retirement of treasury share	(23,640)	(27,971)	-	-	-	-	-	-	-	-	51,611	-	
Changes in ownership interests in subsidiaries	-	19,767	-	-	(6,034)	(6,034)	-	-	-	-	-	13,733	
Balance on December 31, 2017	1,185,655	872,754	151,624	25,556	247,752	424,932	(118,509)	-	(19,010)	(137,519)	(66,349)	2,279,473	
Effects on retrospective application	-	-	-	-	490	490	-	23,606	19,010	42,616	-	43,106	
Balance on January 1, 2018 after adjustments	1,185,655	872,754	151,624	25,556	248,242	425,422	(118,509)	23,606	-	(94,903)	(66,349)	2,322,579	
Profit	-	-	-	-	354,930	354,930	-	-	-	-	-	354,930	
Other comprehensive income	-	-	-	-	675	675	(1,868)	(28,590)	-	(30,458)	-	(29,783)	
Total comprehensive income	-	-	-	-	355,605	355,605	(1,868)	(28,590)	-	(30,458)	-	325,147	
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	-	24,011	-	(24,011)	-	-	-	-	-	-	-	
Special reserve appropriated	-	-	-	111,961	(111,961)	-	-	-	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(104,217)	(104,217)	-	-	-	-	-	(104,217)	
Cash dividends from capital surplus	-	(46,318)	-	-	-	-	-	-	-	-	-	(46,318)	
Retirement of treasury share	(2,200)	(3,506)	-	-	-	-	-	-	-	-	5,706	-	
Changes in ownership interests in subsidiaries	-	(13,972)	-	-	-	-	-	-	-	-	-	(13,972)	
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	69	69	-	(69)	-	(69)	-	-	
Balance at December 31, 2018	\$ 1,183,455	808,958	175,635	137,517	363,727	676,879	(120,377)	(5,053)	-	(125,430)	(60,643)	2,483,219	

(English Translation of Financial Statements Originally Issued in Chinese)

T3EX GLOBAL HOLDINGS CORP.

Statements of Cash Flows

For the years ended December 31, 2018 and 2017

(Expressed in Thousands of New Taiwan Dollars)

	2018	2017
Cash flows from (used in) operating activities:		
Profit before tax	\$ 355,641	241,972
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	5,307	5,615
Amortization expense	4,640	2,788
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	370	(24)
Interest expense	14,673	20,996
Interest income	(2,464)	(2,469)
Share of profit of associates accounted for using equity method	(382,802)	(234,906)
Gain on disposal of investments	(2,900)	(6,887)
Gain on evaluation of investments payable	(1,431)	(45,122)
Total adjustments to reconcile profit (loss)	<u>(364,607)</u>	<u>(260,009)</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease in accounts receivable due from related parties	4,578	794
Total changes in operating assets	<u>4,578</u>	<u>794</u>
Changes in operating liabilities:		
Increase (decrease) in notes payable	26	(763)
Increase in other payables	8,384	1,315
Decrease in other payables to related parties	(8,995)	-
Increase (decrease) in net defined benefit liability	(8,474)	4
Total adjustments	<u>(369,088)</u>	<u>(258,659)</u>
Cash outflow generated from operations	(13,447)	(16,687)
Interest received	2,463	2,469
Interest paid	(11,873)	(8,279)
Income taxes paid	(1,301)	(2,794)
Net cash flows used in operating activities	<u>(24,158)</u>	<u>(25,291)</u>
Cash flows from (used in) investing activities:		
Disposal of financial assets at fair value through other comprehensive income	6,898	-
Acquisition of financial assets at fair value through profit or loss	(68,222)	-
Proceeds from disposal of financial assets at fair value through profit or loss	73,291	-
Acquisition of available-for-sale financial assets	-	(260,020)
Proceeds from disposal of available-for-sale financial assets	-	54,075
Acquisition of investments accounted for using equity method	(24,578)	(14,903)
Acquisition of property, plant and equipment	(776)	(1,098)
Decrease in refundable deposits	90	1,750
Increase (decrease) in other receivables due from related parties	(20,000)	104,855
Acquisition of intangible assets	(3,802)	(17,251)
Acquisition of cash dividends	28,579	5,704
Decrease in other current and non-current assets	50,622	39,869
Decrease investments payable	-	(39,358)
Net cash flows from (used in) investing activities	<u>42,102</u>	<u>(126,377)</u>
Cash flows from (used in) financing activities:		
Increase in short-term loans	210,000	400,000
Repayments of convertible bonds	(299,500)	-
Proceeds from issuing long-term borrowings	200,000	-
Cash dividends paid	(150,535)	(92,637)
Repayments of bonds	-	(65,400)
Exercise of employee share options	-	352
Payments to acquire treasury shares	-	(56,159)
Net cash flows from (used in) financing activities	<u>(40,035)</u>	<u>186,156</u>
Net increase (decrease) in cash and cash equivalents	(22,091)	34,488
Cash and cash equivalents at beginning of period	66,898	32,410
Cash and cash equivalents at end of period	<u>\$ 44,807</u>	<u>66,898</u>

Appendix 1: Articles of Incorporation

T3EX Global Holdings Corp Articles of Incorporation

Chapter I

General Provisions

Article 1 The Company, organized under the Business Mergers And Acquisitions Act ,the Company Act and others relevant regulations as a Company limited by shares, and shall be named T3EX Global Holdings Corp (hereinafter, “the Company”).

Article 2 The Company’s scope of business is as follows:

1. H201010 Investment
2. ZZ99999All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1 The Company may provide endorsements and guarantees and act as a guarantor.

Article 2-2 The Company’s main business is investment. The total amount of the Company’s reinvestment is not to be subject to the restriction of not more than 40% of the Company’s paid-up capital as provided in Article 13 of the Company Act.

Article 3 The Company is headquartered in Taipei City, Taiwan and when necessary may establish branches or subsidiaries at home and abroad according to resolutions by the board of directors.

Article 4 Public announcements of the Company shall be made in accordance with the provisions of Article 28 of the Companies Act.

Chapter II

Shares

Article 5 The authorized capital of the Company is NT\$2 billion, consisting of 200 million shares, all of common stock, with a par value of NT\$10 per share. The board of directors is authorized to issue the shares in separate installments as required, of which 10 million shares are reserved for stock options.

Article 5-1 Resolutions by the shareholders meeting, the Company is authorized to issue share warrant to its employees, the exercise prices of such share warrants issued to the employees might be lower than net worth per share as shown in the CPA-audited and certified financial report for the most recent period.

Article 6 Deleted

Article 7 The share certificates of the Company shall without exception be in registered form, signed by, or affixed with the seals of, at least three directors, and authenticated by the competent governmental authority or a registration institution authorized thereby before issuance. Shares issued by the Company need not be in certificate form, but shall be registered with a securities depository enterprise.

Article 8 All entries in the shareholders register due to share transfers shall be suspended for 30 days prior to an ordinary shareholders meeting, or for 15 days prior to an extraordinary shareholders meeting (Public company shall be suspended for 60 days prior to an ordinary shareholders meeting, or for 30 days prior to an extraordinary shareholders meeting), or for 5 days prior to the record date fixed for distributing dividends, bonus, or any other benefit.

Article 8-1 The Company shall propose to shareholders meetings when revoking public issuance of its shares. This regulation will continue to the Company listed trading on emerging stock or on the stock exchange or over-the-counter market.

Chapter III

Shareholders' Meeting

Article 9 Shareholders' meetings of the Company are of two kinds: regular shareholders meetings and extraordinary shareholders meetings. The regular shareholders' meeting is called once per year within six months of the close of the fiscal year. Extraordinary shareholders meetings may be called in accordance with applicable laws and regulations whenever necessary.

Article 10 For any shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by using the proxy form issued by the Company and specifying the scope of proxy.

Article 11 Except as provided in Article 179 of the Company Act, the shareholder shall have one voting right for each share owned in the Company.

Article 12 Unless otherwise provided by the Company Act, a resolution of the shareholders' meeting shall be adopted by the consent of a majority of the votes represented by those in attendance at the meeting, in person or by proxy, by shareholders who represent a majority of the total issued shares.

Article 12-1 The Company limited by shares which is organized by a single juristic person shareholder shall be free from restrictive requirement set out in this Chapter. The functional duties and power of the shareholders' meeting of such company shall be exercised by its board of directors.

Chapter IV

Board of Directors and Supervisors

Article 13 The Company shall have five to nine directors and two to three supervisors, who shall hold the office for a term of three years and be elected from people with legal capacity at the shareholders' meeting. Directors and supervisors are eligible for reelection.

Article 13-1 Pursuant to relevant regulations, the Company's board of directors shall include two independent. The candidates for independent directors shall be nominated and shall be elected from the list of candidates during the shareholders' meeting.

Professional qualification , number of shareholdings, restrictions regarding holding other jobs, nomination and election of independent directors and others compliance matters shall be governed by relevant regulations set forth by the competent authority.

Article 13-2 An independent director of the Company shall meet one of the following professional qualification requirements, together with at least seven years work experience:

1. An instructor or higher in a department of commerce, law, finance, accounting, or other academic department related to the business needs of the company in a public or private junior college, college, or university.
2. A judge, public prosecutor, attorney, certified public accountant, or other professional or technical specialist who has passed a national examination and been awarded a certificate in a profession necessary for the business of the company.
3. Have work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the company.
4. Have work experience in management.

A person to whom any of the following circumstances applies may not serve as an independent director, or if already serving in such capacity, shall ipso facto be dismissed:

1. Any of the circumstances in the subparagraphs of Article 30 of the Company Act.
2. Elected in the capacity of the government, a juristic person, or a representative thereof, as provided in Article 27 of the Company Act.
3. Any violation of the independent director qualification requirements set out in Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

Article 13-3 The Company's election for directors and supervisors are adopting single

registered and cumulative election. The candidates' name can be represented as numbers on the ballot. Each share has same right to vote toward the numbers of directors and supervisors. It is allowed to give all the votes to a single candidate or separate to several candidates. If the above Article shall be advised, except as provided in Article 172 of the Company Act, it shall be itemized the amendment comparison table in the notice to convene a meeting of shareholders.

Article 14 The board of directors shall consist of the directors of the Company; the chairman and the vice president of the board of directors shall be elected from among the directors by a majority of directors in attendance at a meeting attended by at least two-thirds of the directors. The chairman of the board of directors shall represent the Company in external matters.

Article 15 If the chairman of the board of directors is on leave or cannot exercise powers or perform duties for any reason, an acting chairman shall be designated in accordance with Article 208 of the Company Act.

Article 15-1 Directors shall attend meetings of the board of directors in the preceding paragraph in person. If a director is unavailable to attend a meeting in person, the director may issue a power of attorney for the given meeting specifying the scope of the authorized powers to authorize another director to attend the meeting on the director's behalf, provided that a director may represent only one other director at a meeting. In the event that a board of directors meeting is held through video conference, a director who participates in the meeting by means of video system shall be deemed to have attended in person.

Article 15-2 Seven days prior to the convening of a meeting of the board of directors, notice shall be sent to all directors, specifying the reasons for calling the meeting, though in emergency situations, a meeting may be called whenever necessary. Notice of the convening of a meeting described in the preceding paragraph may be in writing, by fax or by e-mail notification thereof.

Article 16 When the Company's directors and supervisors perform Company duties, the Company may pay remuneration regardless of whether the Company operates at a profit or loss. The board of directors is authorized with powers to resolve the rates of such remuneration based on the extent of their participation in the Company's business operations or value of their contribution, at a level consistent with general practices in the industry. The Company's directors and supervisors' allowances are authorized the board of directors regardless of whether the Company operates at a profit

or loss.

Chapter V Managers

Article 17 The Company may appoint managers, whose commissioning, decommissioning and pay rate shall be as pursuant to Article 29 of the Company Act.

Chapter VI Finance

Article 18 After the close of each fiscal year (1/1~12/31), the following reports shall be prepared by the board of directors and submitted to the regular shareholders' meeting by the supervisors for reviewing and for ratification.

1. Business Report.
2. Financial Statements.
3. Proposal Concerning Appropriation of Net Profits or Recovering of Losses.

Article 19 Deleted

Article 20 More than 0.5% of profit of the current year distributable as employees' compensation and less than 0.3% of the current year distributable as directors and supervisors' compensation shall be definitely specified in the Articles of Incorporation. However, the company's accumulated losses shall have been covered.

The profit in the preceding Paragraph shall be defined as the profit before tax which already deducted employees' compensation and directors and supervisors' compensation.

Qualification requirements of employees, including the employees of subsidiaries of the company meeting certain specific requirements set by the board of directors.

Article 20-1 The Company, when allocating its surplus profits after having paid all taxes, recovering losses shall first set aside ten percent of said profits as legal reserve. Where such legal reserve amounts to the total authorized capital, this provision shall not apply. Appropriate or return to Special capital reserve pursuant to applicable law or operation need. As to the un-appropriated earnings and earnings available for appropriation of this year, the board of directors is authorized to draft an appropriation plan in accordance with the dividend policy and submit the draft to the shareholder's meeting for approval.

Article 20-2 The distribution of the dividends of the Company will coordinate with the surplus of that year based on the principle of stabilization. The board

of directors shall propose the allocation ratio and propose it at the shareholders' meeting. The appropriated earnings shall more than 50% of the current year after tax profit. If the earnings available for appropriation less than the current year after tax profit, it shall be allocated in earnings available for appropriation. Cash dividends shall not be less 10% of total shareholder dividends.

Article 20-3 The Company's major subsidiaries' shall formulate dividend policy. The board of directors shall propose it when major subsidiaries have the un-appropriated earnings, and the independent directors must attend. The Company shall disclose the decision to Market Observation Post System and apply it to Taipei Exchange.

Article 21 Any matters not sufficiently provided for in these Articles of Incorporation shall be handled in accordance with the Company Act.

Article 22 These Articles of Incorporation were enacted on January 15, 1987.

The 1st amendment was made on June 29, 1990.

The 2nd amendment was made on May 10, 1991.

The 3rd amendment was made on October 15, 1991.

The 4th amendment was made on December 13, 1991.

The 5th amendment was made on January 16, 1992.

The 6th amendment was made on May 7, 1996.

The 7th amendment was made on April 2, 2001.

The 8th amendment was made on June 27, 2001.

The 9th amendment was made on September 1, 2001.

The 10th amendment was made on October 6, 2001.

The 11th amendment was made on June 3, 2002.

The 12th amendment was made on December 1, 2002.

The 13th amendment was made on April 12, 2004.

The 14th amendment was made on January 25, 2005.

The 15th amendment was made on June 30, 2005.

The 16th amendment was made on June 30, 2005.

The 17th amendment was made on June 19, 2006.

The 18th amendment was made on March 2, 2007.

The 19th amendment was made on June 20, 2007.

The 20th amendment was made on June 23, 2008.

The 21st amendment was made on June 16, 2009.

The 22nd amendment was made on June 9, 2010.

The 23rd amendment was made on June 28, 2011.

The 24th amendment was made on June 6, 2012.

The 25th amendment was made on August 23, 2012.

The 26th amendment was made on June 17, 2013.

The 27th amendment was made on June 4, 2014.

The 28th amendment was made on June 3, 2015.

The 29th amendment was made on May 31, 2016.

T3EX Global Holdings Corp

Chairman: David Yen

Appendix 2: Shareholding of Directors and Supervisors

T3EX Global Holdings Corp Shareholding of Directors and Supervisors

1. As of 04/23/2019, all directors and supervisors minimum shareholding number and actually registered holding shares.

Title	Minimum number of shares to be held	Shares actually held in share register
Directors	8,000,000	12,448,073
Supervisors	800,000	2,000,774

2. As of 04/23/2019, table of shares held by all directors and supervisors

Position	Name	Date elected	Term (year)	Shareholding while elected	Current shareholding		Remarks
				Shares	Shares	Shareholding ratio	
President	David Yen	2016.05.31	3	1,225,197	796,490	0.68%	
Director	Tony Lin	2016.05.31	3	1,258,116	1,290,728	1.10%	
Director	Hope Ocean International Ltd Representative: Ji-Zhi Hsieh	2016.05.31	3	3,273,798	3,339,143	2.85%	
Director	Dynamic Ocean Group Limited Representative: Carl Wei	2016.05.31	3	5,086,865	3,912,398		
Director	Jack Lai	2016.05.31	3	1,865,566	1,917,552	3.34%	
Director	Benison Hsu	2016.05.31	3	1,153,734	1,191,762	1.64%	
Independent Director	Li-Chiu Chang	2016.05.31	3	—	—	—	
Independent Director	Ming-Hsu Tsai	2016.05.31	3	—	—	—	
Total				13,863,276	12,448,073	10.63%	—
Supervisor	YI-WEI INVESTMENT Representative: Chin-Chou Hsu	2016.05.31	3	1,296,889	2,000,774	1.71%	
Supervisor	Shen-Li Liao	2016.05.31	3	—	—	—	
Total				1,296,889	2,000,774	1.71%	

Appendix 3: Directors' Compensation and Employees' Profit Sharing

Item	Approved in Board of Directors Meeting (A)	2018 Income Statement (B)	Variation (A-B)	Resolution
Employee Bonus – in Stock	0	0	0	None
Employee Bonus – in Cash	1,850,000	1,842,692	7,308	The variation was caused by changes in accounting estimates. The Company will recognize the variation in income statements of year 2019.
Directors' and Supervisors' Remuneration	9,230,000	11,056,147	-1,826,147	

Appendix 4: The Impact of Stock Dividend Issuance on Business Performance, EPS, and Shareholder Return Rate:

Pursuant to Regulations Governing the Publication of Financial Forecasts of Public Companies, the Company don't disclose financial forecast. It does not apply.