



Stock Code: 2636

T3EX Global Holdings Corp.
2020 Annual Meeting of Shareholders
(Translation)
Meeting Agenda Handbook

MEETING TIME: 05, 27, 2020

PLACE: Cathay Financial Conference Hall, G Room

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T3EX Global Holdings Corp.

Time: 9:30 a.m., May 27, 2020

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

I. Procedure for the 2020 Annual Meeting of Shareholders:

1. Call the Meeting to Order

2. Chairman's Address

3. Report Items

4. Proposed Resolutions

5. Discussion Items

6. Meeting Adjourned

II. Agenda of Annual Meeting of Shareholders:

1. Report Items

- (1) 2019 Business Report
- (2) Audit Committee review report on the 2019 financial statements
- (3) 2019 distribution report of compensation of directors and employee bouns.
- (4) The status of 2019 endorsement and guarantee
- (5) Amendment to the “7th Regulations of Company’s Share Buyback Transfer”
- (6) Other report items

2. Proposed Resolutions

- (1) Adoption of the 2019 business report and financial statements
- (2) Adoption of the proposal for distribution of 2019 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 Operational Procedures for Loaning of Company Funds

4. Meeting Adjourned

1. Report Items

● Report No.1

2019 Business Reports.

Explanation:

Please refer to page 9-11 (Attachment 1) for details.

● Report No.2

Audit Committee's review report on the 2019 financial statements.

Explanation:

Please refer to page 12 (Attachment 2) for details.

● Report No.3

2019 distribution report of compensation of directors and employee bonus.

Explanation:

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

ii. The Company's 2019 profit before distribution was NT\$262,236,516 which distributed 0.5% (NT\$1,320,000) employee bonus and distributed 2.8% (NT\$7,350,000) compensation of directors with cash.

● Report No.4

The status of 2019 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\$12,987 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\$94,474 thousands and the actual usage amount was NT\$0.

iv. The Company has endorsed the bank contract for the future operating capital of T-SC Factoring Co., Ltd. The end of year balance was NT\$289,920 thousands and the actual usage

amount was NT\$0.

- v. 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\$81,679 thousands and the actual usage amount was NT\$29,852 thousands.
- 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\$104,965 thousands and the actual usage amount was NT\$ 0.
- vii. The Company has endorsed the bank contract for the future operating capital of THI Group Limited (H.K.). The end of year balance was NT\$29,990 thousands and the actual usage amount was NT\$ 0.
- viii. 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\$3,009 thousands and the actual usage amount was NT\$3,009thousands.

- **Report No.5**

Amendment to the “7th Regulations of Company’s Share Buyback Transfer”

Explanation:

- i. In accordance with the amendment of Article 28-2 of Securities and Exchange Act, which extended the transfer period of share buyback from three years to five years.
- ii. The Company has amended the Article 3, Article 10, and Article 13 of “7th Regulations of Company’s Share Buyback Transfer”, which has extended the transfer period of share buyback from three years to five years.

- **Report No.6**

Other report items

Explanation:

The status of proposal from shareholders: The Company didn’t receive any proposal during the period of proposal from March 20, 2020 to March 30, 2020.

2. Proposed Resolutions

(1) Proposal:

(Proposed by the Board)

Adoption of the 2019 business report and financial statements.

Explanation:

- i. The Company's 2019 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 audit committee and board of directors on March 6, 2020.
- ii. The 2019 business report, independent auditors' audit report, and the above-mentioned financial statements were attached in the Meeting Agenda, please refer to page 13~27 (Attachment 3).

Resolution:

(2) Proposal:

(Proposed by the Board)

Adoption of the proposal for distribution of 2019 profits.

Explanation:

- i. The board has adopted a proposal for distribution of 2019 profits. Please refer to the below of 2019 PROFIT DISTRIBUTION TABLE.

T3EX Global Holdings Corp.
PROFIT DISTRIBUTION TABLE
Year 2019

(Unit: NTD \$)

Beginning Retained Earnings		85,568,422
Less: Remeasurement of defined benefit obligation in 2019	(6,815,723)	
Less: Cancellation of the buyback shares	(10,819,069)	(17,634,792)
Adjusted Beginning Retained Earnings		67,933,630
Add: Net profit after tax	249,046,803	
Less: 10% legal reserve	(23,141,201)	
Less: set aside the special reserve	(60,623,579)	165,282,023
Distributable Net Profit		233,215,653
Distributable items:		
Shareholders Bonus- Stock Dividends	0	

Shareholders Bonus- Cash Dividends(NT\$1.3per share)	(150,535,323)	(150,535,323)
Unappropriated retained earnings		82,680,330

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.In accordance with the amendment of Article 162 of Company Act, the Company amended 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.In accordance with the amendment of Company Act and the actual needs, the Company amended the Rules of Procedure for Shareholder Meetings.

i.Please proceed to discuss.

Resolution:

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

Explanation:

- i. In accordance with the Company's actual needs, the company hereby proposes to amend the Operational Procedures for Loaning of Company Funds
- ii. Please proceed to discuss.

Resolution:

4. Meeting Adjourned

Attachment 1: 2019 Business Report

Now, I hereby thanks to every shareholders on behalf of T3EX group for your cares and supports. T3EX Group has been keeping work hard to be the provider of total solution of logistics supply chain management.

2019 Performance Review:

Expressed in thousands of New Taiwan Dollars	2019	2018	YoY
Revenue	11,258,071	11,536,269	-2.41%
Gross Profit	2,014,229	1,963,236	2.60%
Operating Expense	1,717,569	1,587,038	8.22%
Operating Profit	296,660	376,198	-21.14%
Profit after tax	241,363	366,598	-34.16%
EPS(Dollars)	2.15	3.07	-29.97%
Gross Margin	17.89%	17.02%	0.87%
Income Tax Rate	22.35%	9.93%	12.41%

In 2019, both freight and cargo volume of international air freight and ocean freight were declined by the effect of US and China trade war, especially in China region. According to the statistics of IHS Markit, the global information provider, the volume of export by ocean freight from China to USA of 2019 decreased 10% compared to 2018; According to the statistics of IATA, the International Air Transport Association, the volume of air cargo in Asia region of 2019 fell 6% compared to 2018. T3EX Group's revenue in China region is approximately 70%, but through the adjustment of operating strategy as below that have been taking effective, the Company's revenue in 2019 merely declined 2.4% compared to 2018, the gross profit increased 2.6% year over year, the operating expense grew 8%.

To mitigate the impact of China-US trade war, the Company has been doing below strategies:

1. The adjustment of customer structure, the Company has eliminated lower profit customers to keep more resources and time for the high quality customers in order to provide them more value-added services.
2. T3EX Group has been rooting in Southeast Asia for many years. Since a lot of industries have been moving out from China to Southeast Asia, this region has huge potential to grow. The Company has been speeding up to build business teams in Southeast Asia as well as develop business, the revenue of East Asia in 2019 enjoyed a 81% year over year growth, and the sales percentage of 2019 was 11%, compared to 11% of 2018.
3. The Company has developed non-US route business such as Europe, Africa, the Middle East, and Asia. And the Company has enlarged the sales team of railway division.
4. Through the integration of logistics supply-chain management which included international logistics, customs, warehousing and transportation, the Company's gross margin has grew.

For the above strategic adjustments such as multiple market developing, the integration of

supply-chain management, and investment in Southeast Asia, the Company has enlarged in investing business teams of Southeast Asia, has built the team of supply-chain finance, and others investment on operating human resources, which caused the NTD\$130 million of increase of operating expense in 2019 compared to 2018. Besides, the income tax ratio of 2018 was 10% because of recognizing NTD\$45 million of income tax profit. Without recognition income tax profit in 2019, the Company's income tax ratio was increased 12% year over year. In 2019, the Company's EPS was dropped 30% year over year.

2020 Outlook:

The COVID-19 broke out in China this Feb., Chinese government has contracted the virus via locking cities, shutting down harbours, and suspending the resumption of work, which has resulted in the shortage of labors, material, resources and the obstruction of cross-city transportation, so most Chinese industries couldn't produce and deliver products, and the global supply-chain was cut off. Until mid-March, China has obviously contracted the virus, many factories have resumed to work and deliver, the inland logistics and harbours have started operation. But simultaneously, the virus have been raging from Japan, Korea, Europe to United States, the virus pandemic is outbreak around the globe. Till now, the government of Europe, USA, and East-Asia have mandated the lockdown policies such as forbidding foreigner's entry, unnecessary industry shutdown, enterprises work from home, and the remote learning and teaching of schools to curb disease spreading that caused a huge revolution for logistics industries.

International Ocean Freight Market Outlook:

In mid-March, the Chinese factories have sped up producing products to export, the space of containerships were full. In April, a lot of enterprises which belong to unnecessary customer goods have shut down, and have suspended the import from Asian manufactures. So, we predict the booming volume of containerships would become slow, the shippers would blank ships to control the capacity for maintaining the ratio of booking and the freight. If the virus will be contracted effectively in Europe and USA, there could emerge hunger booking trends because of shortage inventories since Chinese supply-chain block in this February.

International Air Freight Market Outlook:

In this March, the air cargos have surged hugely, because of the suspension resumption of work in China, the shortage of inventories in Europe and USA, and the emergency import needs for medical suppliers around the globe. As the lockdown policy implement all over the world, the airlines have downsized over 60% passenger flights that caused a serious shortage of air cargo spaces, the air freight has been soaring over historic new price. Under this condition, forwarders who get more air cargo spaces for customers can take more advantages. T3EX Group has solid relations with many airlines, the Company has provided customers sufficient air cargo spaces. In future, if the virus has been serious, the air cargo space would been keeping shortage by the huge needs of medical suppliers. If the mitigation of virus, there could emerge hunger booking trends because of shortage inventories.

China-Europe Railway Market Outlook:

The decrease of China-Europe railway trains as the suspension resumption of work and the shortages of air cargo spaces which resulted in the logistics transfer from air flights to railway, the rail cargo spaces of China-Europe railway are full. T3EX Group has a long-term contracts with Chinese rail companies which committed plentiful rail cargo spaces, the railway business of this year has great

increase comparing last year.

Chinese Domestic Market Outlook:

After overcoming virus epidemic in China, consumer desire is surging which can stimulate growth of domestic consumption market and logistics in domestic market. T3EX Group has plentiful of warehousing and transportation network in China nationwide, we built warehouses in strategic cities such as Shanghai, Hong Kong, Suzhou, Guangdong, and Kunshan, our inland transportation covered nearly 400 tier 1, 2 and 3 cities.

Future Strategy Plan:

This year, T3EX Group has built two operating management centers in China and Taiwan. The tasks of Chinese operating management center are searching the 3PL logistics partners in China for constituting import total solution service, developing the railway business in China-Europe, and China-Russia, enlarging the collaboration with overseas agent in Africa and Central and South America, expanding supply chain finance business. For embracing the manufacture outflow from China to Taiwan, and Southeast Asia, the tasks of Taiwan operating management center are investing non-China regions such as developing the opportunities from Taiwan factories backing and enlarging the investment in Southeast Asia.

A. Enlarge Investment in Southeast Asia:

Since 2009, the Company has been investing in Southeast Asia. We have 13 locations in Vietnam, Thailand, Singapore, Malaysia, Cambodia, Philippian, and Indonesia. In this year, we have expanded the sales teams, and develop the southeast Asia-Europe, America routes business for enlarging the business percentage in Southeast Asia.

B. Develop the Import Total Solution Supply-chain Management Service in China:

In the beginning of 2020, China signed phase one trade deal with USA, China committed USA to purchase US\$200 billion products within two years. USA cut duties on US\$120 billion in product from 15% to 7.5% on 14, February, 2020. China also cut duties on US\$75 billion products from 5%~10% to 2.5% to 5%. The Company expected the volume of cargos in export and import in China would back and rebound after the mitigation of virus pandemic, because China-USA trade war has curbed trade activities in the globe and enterprise kept low inventory policy in 2019.

T3EX Group has comprehensive warehousing and transportation network in China, the Company has been searching the merger target of Chinese 3PL companies, expanding the teams of warehousing and transportation, and integrating the group's resources to build a comprehensive import supply-chain logistics services(international logistics+ customs+ warehousing+ transportation+ supply chain finance)

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

Chairman& General Manger: David Yen
Accounting Management: Allen Hou

Attachment 2: Audit Committee's Review Report

**T3EX Global Holdings Corp.
Audit Committee's Review Report**

Date: March 6, 2020

The Board reports the financial statement, business report, and earnings distribution proposal of 2019, and financial statement have been audited by KPMG Taiwan. The financial statements, business report and earnings distribution proposal have been reviewed and determined to correct and accurate by the Audit Committee members of T3EX Global Holdings Corp. According to relevant requirements of the Securities and Exchange Act and the Company Law, we hereby submit this report.

Submitted to:

2020 Regular Shareholders' Meeting of the Company

Chairman of the Audit Committee

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, 2019 and 2018, 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, 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 effects by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit of the Consolidated financial statements as of and for the year ended December 31, 2019 in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants, Rule No. 1090360805 issued by the Financial Supervisory Commission, and the auditing standards generally accepted in the Republic of China. Furthermore, we conducted our audit of the consolidated financial statements as of and for the year ended December 31, 2018 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(m) "Revenue recognition" of consolidated financial statements and Note 6(t) "Revenue from contracts with customers" 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(i) 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(d) “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 were 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, 2019 and 2018, 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 the Audit Committee) 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 Pin Wu.

KPMG

Taipei, Taiwan (Republic of China)
March 6, 2020

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)
T3EX GLOBAL HOLDINGS CORP. 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	
Assets		Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (notes 6(a) & (x))	\$ 2,216,962	37	1,726,979	31	2100	Short-term borrowings (notes 6(j) & (x))	\$ 1,518,040	25	1,310,920	24
1110	Current financial assets at fair value through profit or loss (notes 6(b) & (x))	55,196	1	28,925	1	2150	Notes payable (note 6(x))	10,436	-	22,623	-
1120	Current financial assets at fair value through other comprehensive income (notes 6(c) & (x))	69,451	1	75,897	1	2170	Accounts payable (note 6(x))	798,537	13	837,444	15
1150	Notes receivable, net (notes 6(d) & (x))	36,110	-	42,442	1	2180	Accounts payable to related parties (notes 6(x) & 7)	635	-	1,515	-
1170	Accounts receivable, net (notes 6(d) & (x))	1,735,434	29	1,919,529	34	2219	Other payables, others (note 6(x))	383,737	6	395,397	7
1180	Accounts receivable due from related parties, net (note 6(d), (x) & 7)	1,811	-	1,216	-	2230	Current tax liabilities	61,427	1	74,571	1
1470	Other current assets (notes 6(x) & 8)	232,986	4	393,899	7	2280	Current lease liabilities (notes 6(m) & (x))	174,773	3	-	-
	Current assets	4,347,950	72	4,188,887	75	2322	Long-term borrowings, current portion (notes 6(k) & (aa))	1,659	-	1,674	-
	Non-current assets:					2399	Other current liabilities, others (notes 6(f)(o) & (x))	8,444	-	10,420	-
1517	Non-current financial assets at fair value through other comprehensive income (notes 6(c) & (x))	184,676	3	165,407	3		Total current liabilities	2,957,688	48	2,654,564	47
1550	Investments accounted for using equity method, net (note 6(e))	55,246	1	49,288	1	2540	Non-Current liabilities:				
1600	Property, plant and equipment (notes 6(g) & 8)	277,603	5	282,104	5	2570	Total long-term borrowings (notes 6(k) & (x))	303,861	5	205,564	4
1755	Right-of-use assets (note 6(h))	321,920	5	-	-	2580	Total deferred tax liabilities (note 6(p))	123	-	-	1
1805	Goodwill (notes 6(f) & (i))	529,589	9	531,504	10	2640	Non-current lease liabilities (notes 6(m) & (x))	151,938	4	-	-
1821	Other intangible assets, net (notes 6(f) & (i))	109,182	2	124,347	2		Net defined benefit liability, non-current (note 6(o))	82,723	1	79,216	-
1840	Deferred tax assets (note 6(p))	47,729	-	47,474	1		Non-current liabilities	538,645	10	284,780	5
1920	Guarantee deposits paid (note 6(x) & 8)	114,159	2	146,958	2		Total liabilities	3,496,333	58	2,939,344	52
1995	Other non-current assets, others (note 8)	61,066	1	52,237	1		Equity attributable to owners of parent (notes 6(c), (f) & (q)) :				
	Non-current assets	1,701,170	28	1,399,319	25	3100	Capital stock	1,171,575	19	1,183,455	21
						3200	Capital surplus	798,811	13	808,958	15
						3300	Retained earnings	653,539	11	676,879	12
						3400	Other equity	(186,054)	(3)	(125,430)	(2)
						3500	Treasury shares	(27,797)	-	(60,643)	(1)
							Equity attributable to owners of the Company	2,410,074	40	2,483,219	45
						36xx	Non-controlling interests	142,713	2	165,643	3
							Total equity	2,552,787	42	2,648,862	48
							Total liabilities and equity	\$ 6,049,120	100	5,588,206	100
	Total assets	\$ 6,049,120	100	5,588,206	100						

(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, 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(t) &7)	\$ 11,258,071	100	11,536,269	100
5000	Operating costs (notes 6(h), (m), (n) (o), 7 & 12)	9,243,842	82	9,573,033	83
	Gross profit from operations	2,014,229	18	1,963,236	17
	Operating expenses (notes 6(h), (m), (n), (o), (s) & 12)				
6100	Selling expenses	1,253,809	11	1,164,830	10
6200	Administrative expenses	459,534	4	418,529	4
6450	Expected credit loss (note 6(d))	4,226	-	3,679	-
	Total operating expenses	1,717,569	15	1,587,038	14
	Net operating income	296,660	3	376,198	3
	Non-operating income and expenses:				
7010	Other income (note 6(u))	41,230	-	26,751	-
7020	Other gains and losses, net (notes 6(b), (f) & (v))	9,421	-	25,609	-
7060	Share of profit of associates and joint ventures accounted for using equity method, net (note 6(e))	1,851	-	900	-
7510	Finance cost (notes 6(l), (m) & (w))	(38,347)	-	(22,433)	-
	Total non-operating income and cost	14,155	-	30,827	-
	Profit from continuing operations before tax	310,815	3	407,025	3
7950	Less: Income tax expenses (note 6(p))	69,452	1	40,427	-
	Profit	241,363	2	366,598	3
8300	Other comprehensive income:				
8310	Item that may not be subsequently reclassified to profit or loss				
8311	Remeasurements of defined benefit plans	(6,816)	-	675	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	12,656	-	(28,590)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
		5,840	-	(27,915)	-
8360	Items that may be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(88,526)	(1)	(2,788)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss	(88,526)	(1)	(2,788)	-
8300	Other comprehensive income	(82,686)	(1)	(30,703)	-
	Total comprehensive income	<u>\$ 158,677</u>	<u>1</u>	<u>335,895</u>	<u>3</u>
	Profit attributable to:				
	Owners of parent	\$ 249,047	2	354,930	3
	Non-controlling interests	(7,684)	-	11,668	-
		<u>\$ 241,363</u>	<u>2</u>	<u>366,598</u>	<u>3</u>
	Comprehensive income attributable to:				
	Owners of parent company	\$ 181,607	1	325,147	3
	Non-controlling interests	(22,930)	-	10,748	-
		<u>\$ 158,677</u>	<u>1</u>	<u>335,895</u>	<u>3</u>
	Earnings per share (note 6(r))				
	Basic earnings per share (NT Dollars)	<u>\$</u>	<u>2.15</u>	<u>\$</u>	<u>3.07</u>
	Diluted earnings per share (NT Dollars)	<u>\$</u>	<u>2.15</u>	<u>\$</u>	<u>2.96</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, 2019 and 2018

(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	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	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance on January 1, 2018	\$ 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
Equity at beginning of period 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	-	-	24,011	-	(24,011)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	111,961	(111,961)	-	-	-	-	-	-	-	-	-
Cash dividends on ordinary share	-	-	-	-	(104,217)	(104,217)	-	-	-	-	-	(104,217)	-	(104,217)
Other changes in capital surplus:														
Cash dividends from capital surplus	-	(46,318)	-	-	-	-	-	-	-	-	-	(46,318)	-	(46,318)
Retirement of treasury stock	(2,200)	(3,506)	-	-	-	-	-	-	-	-	5,706	-	-	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	69	69	-	(69)	-	(69)	-	-	-	-
Changes in non-controlling interests	-	(13,972)	-	-	-	-	-	-	-	-	-	(13,972)	41,761	27,789
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
Profit	-	-	-	-	249,047	249,047	-	-	-	-	-	249,047	(7,684)	241,363
Other comprehensive income	-	-	-	-	(6,816)	(6,816)	(73,280)	12,656	-	(60,624)	-	(67,440)	(15,246)	(82,686)
Total comprehensive income	-	-	-	-	242,231	242,231	(73,280)	12,656	-	(60,624)	-	181,607	(22,930)	158,677
Appropriation and distribution of retained earnings:														
Legal reserve appropriated	-	-	35,493	-	(35,493)	-	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(254,752)	(254,752)	-	-	-	-	-	(254,752)	-	(254,752)
Reversal of special reserve	-	-	-	(12,087)	12,087	-	-	-	-	-	-	-	-	-
Retirement of treasury stock	(11,880)	(10,147)	-	-	(10,819)	(10,819)	-	-	-	-	32,846	-	-	-
Balance on December 31, 2019	<u>\$ 1,171,575</u>	<u>798,811</u>	<u>211,128</u>	<u>125,430</u>	<u>316,981</u>	<u>653,539</u>	<u>(193,657)</u>	<u>7,603</u>	<u>-</u>	<u>(186,054)</u>	<u>(27,797)</u>	<u>2,410,074</u>	<u>142,713</u>	<u>2,552,787</u>

(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, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars)

	2019	2018
Cash flows from operating activities:		
Profit before tax	\$ 310,815	407,025
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	289,661	39,030
Amortization expense	23,588	18,984
Expected credit loss / Provision for bad debt expense	4,226	3,679
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(2,108)	370
Interest expense	38,347	22,433
Interest income	(35,495)	(23,095)
Share of profit of associates accounted for using equity method	(1,851)	(900)
(Gain) loss from disposal of property, plant and equipment	(1,793)	2,697
Gain from disposal of investments	(1,050)	(2,900)
Loss from disposal of investments accounted for using equity method	-	4,117
Gain on evaluation of investments payable	-	(1,431)
Total adjustments to reconcile profit (loss)	313,525	62,984
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease in notes receivable	6,332	23,457
Decrease (increase) in accounts receivable	179,869	(126,827)
Decrease (increase) in accounts receivable due from related parties	(595)	2,841
Decrease in other current assets	155,178	51,033
Increase in other operating assets	(9,381)	(1,163)
Total changes in operating assets	331,403	(50,659)
Changes in operating liabilities:		
Decrease in notes payable	(12,187)	(10,576)
Decrease in accounts payable	(38,907)	(15,289)
Increase (decrease) in accounts payable to related parties	(880)	921
Decrease in other payables	(11,660)	(220)
Decrease in other current liabilities	(1,976)	(11,666)
Decrease in net defined benefit liability	(3,308)	(4,768)
Total changes in operating liabilities	(68,918)	(41,598)
Total changes in operating assets and liabilities	262,485	(92,257)
Total adjustments	576,010	(29,273)
Cash inflow generated from operations	886,825	377,752
Interest received	35,495	23,095
Interest paid	(38,347)	(19,714)
Income taxes paid	(81,600)	(61,979)
Net cash flows from operating activities	802,373	319,154
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(164)	-
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	(55,837)	(68,222)
Proceeds from disposal of financial assets at fair value through profit or loss	32,726	73,291
Net cash flows used in acquisition of subsidiaries (deduct purchasing cash amount)	-	(57,387)
Acquisition of property, plant and equipment	(37,070)	(22,876)
Proceeds from disposal of property, plant and equipment	2,810	1,338
Decrease (increase) in refundable deposits	32,799	(9,805)
Acquisition of intangible assets	(8,616)	(3,827)
Decrease in investments payable	-	(6,265)
Dividends received	8,574	3,485
Net cash flows used in investing activities	(24,778)	(83,370)
Cash flows from financing activities:		
Increase in short-term loans	207,216	243,920
Repayments of bonds	-	(299,500)
Proceeds from long-term loans	300,000	208,265
Repayments of long-term debt	(201,656)	(1,114)
Payment of lease liabilities	(246,276)	-
Cash dividends paid	(254,752)	(150,535)
Net cash flows from financing activities	(195,468)	1,036
Effect of exchange rate changes on cash and cash equivalents	(92,144)	(1,373)
Net increase in cash and cash equivalents	489,983	235,447
Cash and cash equivalents at beginning of period	1,726,979	1,491,532
Cash and cash equivalents at end of period	\$ 2,216,962	1,726,979

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, 2019 and 2018, 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, 2019 and 2018, 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 of the financial statements as of and for the year ended December 31, 2019 in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants, Rule No. 1090360805 issued by the Financial Supervisory Commission, and the auditing standards generally accepted in the Republic of China. Furthermore, we conducted our audit of the consolidated financial statements as of and for the year ended December 31, 2018 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(m) "Revenue recognition" of financial statement and Note 6(q) "Revenue from contracts with customers" 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:

Understanding the internal control on revenue recognition applied by the management and 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 of non-financial assets" for accounting policies, Note 5 "assumptions on the accounting estimates and assumptions of the impairment of Equity method investees" and Note 6 (e) 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:

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 the Audit Committee) 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-Pin Wu.

KPMG

Taipei, Taiwan (Republic of China)
March 6, 2020

(English Translation of Financial Statements Originally Issued in Chinese)
T3EX GLOBAL HOLDINGS CORP.

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					
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (notes 6(a)&(s))	\$ 37,989	1	44,807	1	2100	Short-term borrowings (notes 6(i)(s)&(v))	\$ 1,380,000	33	1,090,000	28
1110	Current financial assets at fair value through profit or loss (notes 6(b)&(s))	55,196	1	28,925	1	2150	Notes payable (note 6(s))	-	-	1,007	-
1120	Current financial assets at fair value through other comprehensive income (notes 6 (c)&(s))	69,447	2	75,894	2	2200	Other payables (notes 6(l)&(s))	33,372	1	35,289	1
1180	Accounts receivable due from related parties, net (notes 6(d),(s),&7)	43,227	1	41,148	1	2220	Other payables to related parties (notes 6(s)&7)	47,490	1	90,409	3
1210	Other receivables due from related parties, net (notes 6(s)&7)	200,000	5	120,000	3	2230	Current tax liabilities	3,538	-	-	-
1470	Other current assets	41,552	1	10,400	-	2399	Other current liabilities, others (notes 6(s))	82	-	197	-
Current assets		447,411	11	321,174	8	Current liabilities		1,464,482	35	1,216,902	32
Non-current assets:						Non-Current liabilities:					
1517	Non-current financial assets at fair value through other comprehensive income (notes 6(c)&(s))	70,100	2	76,400	2	2540	Long-term borrowings (notes 6(j)(s)&(v))	300,000	7	200,000	5
1550	Investments accounted for using equity method, net (note 6(e)&(f))	3,455,418	82	3,302,557	84	2640	Net defined benefit liability, non-current (note 6(l))	14,924	-	12,617	-
1600	Property, plant and equipment (notes 6(g)&8)	184,965	4	183,946	5	Non-current liabilities		314,924	7	212,617	5
1821	Intangible assets, net (note 6(h))	24,508	1	21,776	1	Total liabilities		1,779,406	42	1,429,519	37
1840	Deferred tax assets (note 6(m))	6,742	-	6,549	-	Equity attributable to owners of parent (notes 6(f)&(n)):					
1920	Guarantee deposits paid (notes 6(s)&8)	336	-	336	-	3110	Ordinary share	1,171,575	28	1,183,455	30
Non-current assets		3,742,069	89	3,591,564	92	3200	Capital surplus	798,811	19	808,958	21
						3300	Retained earnings	653,539	16	676,879	17
						3400	Other equity	(186,054)	(4)	(125,430)	(3)
						3500	Treasury shares	(27,797)	(1)	(60,643)	(2)
						Total equity (note 6(u))		2,410,074	58	2,483,219	63
Total assets		\$ 4,189,480	100	3,912,738	100	Total liabilities and equity		\$ 4,189,480	100	3,912,738	100

(English Translation of Financial Statements Originally Issued in Chinese)

T3EX GLOBAL HOLDINGS CORP.

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(q)&7)	\$ 334,862	100	435,491	100
5000	Operating costs (notes 6(l)&(p))	75,580	23	76,747	18
	Gross profit from operations	259,282	77	358,744	82
	Net operating income	259,282	77	358,744	82
	Non-operating income and expenses:				
7010	Other income (notes 6(r)&7)	5,779	2	6,028	1
7020	Other gains and losses, net (notes 6(b)(f)&(r))	3,611	1	5,542	1
7510	Interest expense (note 6(k)&(r))	(15,105)	(5)	(14,673)	(2)
	Profit before income tax	253,567	75	355,641	82
7950	Less: Income tax expenses(note 6(m))	4,520	1	711	-
	Profit	249,047	74	354,930	82
8300	Other comprehensive income (loss):				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Remeasurements of defined benefit plans	(2,181)	(1)	1,196	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	12,656	4	(28,590)	(7)
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(4,635)	(1)	(521)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
		5,840	2	(27,915)	(7)
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(73,280)	(22)	(1,868)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss	(73,280)	(22)	(1,868)	-
8300	Other comprehensive income	(67,440)	(20)	(29,783)	(7)
	Comprehensive income	<u>\$ 181,607</u>	<u>54</u>	<u>325,147</u>	<u>75</u>
	Earnings per share (note 6(o))(NT Dollars)				
	Basic earnings per share	<u>\$ 2.15</u>		<u>3.07</u>	
	Diluted earnings per share	<u>\$ 2.15</u>		<u>2.96</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, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings						Total other 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	Treasury shares	Total equity
Balance on January 1, 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 of retrospective application	-	-	-	-	490	490	-	23,606	19,010	42,616	-	43,106
Equity at beginning of period 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	-	-	24,011	-	(24,011)	-	-	-	-	-	-	-
Special reserve	-	-	-	111,961	(111,961)	-	-	-	-	-	-	-
Cash dividends on ordinary share	-	-	-	-	(104,217)	(104,217)	-	-	-	-	-	(104,217)
Other changes in capital surplus:												
Cash dividends from capital surplus	-	(46,318)	-	-	-	-	-	-	-	-	-	(46,318)
Retirement of treasury share	(2,200)	(3,506)	-	-	-	-	-	-	-	-	5,706	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	69	69	-	(69)	-	(69)	-	-
Changes in ownership interests in subsidiaries	-	(13,972)	-	-	-	-	-	-	-	-	-	(13,972)
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
Profit	-	-	-	-	249,047	249,047	-	-	-	-	-	249,047
Other comprehensive income	-	-	-	-	(6,816)	(6,816)	(73,280)	12,656	-	(60,624)	-	(67,440)
Total comprehensive income	-	-	-	-	242,231	242,231	(73,280)	12,656	-	(60,624)	-	181,607
Appropriation and distribution of retained earnings:												
Legal reserved	-	-	35,493	-	(35,493)	-	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(254,752)	(254,752)	-	-	-	-	-	(254,752)
Reversal of special reserve	-	-	-	(12,087)	12,087	-	-	-	-	-	-	-
Retirement of treasury share	(11,880)	(10,147)	-	-	(10,819)	(10,819)	-	-	-	-	32,846	-
Balance at December 31, 2019	\$ 1,171,575	798,811	211,128	125,430	316,981	653,539	(193,657)	7,603	-	(186,054)	(27,797)	2,410,074

(English Translation of Financial Statements Originally Issued in Chinese)

T3EX GLOBAL HOLDINGS CORP.

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	\$ 253,567	355,641
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	5,808	5,307
Amortization expense	5,771	4,640
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(2,108)	370
Interest expense	15,105	14,673
Interest income	(2,215)	(2,464)
Share of profit of associates accounted for using equity method	(279,652)	(382,802)
Loss on disposal of property, plant and equipment	1	-
Gain on disposal of investments	(1,050)	(2,900)
Gain on evaluation of investments payable	-	(1,431)
Total adjustments to reconcile profit (loss)	(258,340)	(364,607)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in accounts receivable due from related parties	(2,079)	4,578
Increase in other current assets	(31,156)	-
Increase (decrease) in notes payable	(1,007)	26
Increase (decrease) in other payables	(1,917)	8,384
Decrease in other payables to related parties	(42,919)	(8,995)
Decrease in other current liabilities	(114)	-
Increase (decrease) in net defined benefit liability	126	(8,474)
Total adjustments	(337,406)	(369,088)
Cash outflow generated from operations	(83,839)	(13,447)
Interest received	2,215	2,463
Interest paid	(15,105)	(11,873)
Income taxes paid	(1,175)	(1,301)
Net cash flows used in operating activities	(97,904)	(24,158)
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(164)	6,898
Acquisition of financial assets at fair value through profit or loss	(55,837)	(68,222)
Proceeds from disposal of financial assets at fair value through profit or loss	32,726	73,291
Acquisition of investments accounted for using equity method	(10,731)	(24,578)
Acquisition of property, plant and equipment	(6,828)	(776)
Decrease in refundable deposits	-	90
Increase in other receivables due from related parties	(80,000)	(20,000)
Acquisition of intangible assets	(8,503)	(3,802)
Acquisition of cash dividends	85,175	28,579
Decrease in other current and non-current assets	-	50,622
Net cash flows from (used in) investing activities	(44,162)	42,102
Cash flows from (used in) financing activities:		
Increase in short-term loans	290,000	210,000
Repayments of convertible bonds	-	(299,500)
Proceeds from issuing long-term borrowings	300,000	200,000
Repayments of long-term debt	(200,000)	-
Cash dividends paid	(254,752)	(150,535)
Net cash flows from (used in) financing activities	135,248	(40,035)
Net decrease in cash and cash equivalents	(6,818)	(22,091)
Cash and cash equivalents at beginning of period	44,807	66,898
Cash and cash equivalents at end of period	<u>\$ 37,989</u>	<u>44,807</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

Article 13 The Company shall have 7 to 13 directors, who shall hold the office for a term of three years and be elected from people with legal capacity at the shareholders' meeting. Directors are eligible for reelection.

Article 13-1 Pursuant to relevant regulations, the Company's board of directors shall include 3 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 In compliance with Articles 14-4 of the Securities and Exchange Law, the Corporation shall establish an Audit Committee, which shall consist of all

independent directors. The Audit Committee or the members of Audit Committee shall be responsible for those responsibilities of Supervisors specified under the Company Law, the Securities and Exchange Law and other relevant regulations.

Article 13-4 The Company's election for directors 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. 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 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 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' 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' 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 Taiwan Stock 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.
The 30th amendment was made on June 21, 2019.

T3EX Global Holdings Corp
Chairman: David Yen

Appendix 2: Shareholding of Directors

T3EX Global Holdings Corp Shareholding of Directors

1. As of 03/29/2020, all directors 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	13,845,326

2. As of 03/30/2020, table of shares held by all directors

Position	Name	Date elected	Term (year)	Shareholding while elected	Current shareholding		Remarks
				Shares	Shares	Shareholding ratio	
President	David Yen	2020.06.21	3	796,490	796,490	0.68%	
Director	Hope Ocean International Ltd Representative: Tony Lin	2020.06.21	3	3,339,143	3,339,143	2.85%	
Director	YI-WEI INVESTMENT Representative: Ji-Zhi Hsieh	2020.06.21	3	2,000,774	2,000,774	1.71%	
Director	Dynamic Ocean Group Limited Representative: Carl Wei	2020.06.21	3	3,912,398	3,912,398	3.34%	
Director	Jack Lai	2020.06.21	3	1,917,552	1,917,552	1.64%	
Director	CHANG-JIE International Representative: Benison Hsu	2020.06.21	3	1,908,969	1,878,969	1.60%	
Independent Director	Li-Chiu Chang	2020.06.21	3	—	—	—	
Independent Director	Ming-Hsu Tsai	2020.06.21	3	—	—	—	
Independent Director	Jeff Lin	2020.06.21	3	61,000	—	—	
Total				13,936,326	13,845,326	11.82%	—

Appendix 3: Directors' Compensation and Employees' Profit Sharing

Item	Approved in Board of Directors Meeting (A)	2019 Income Statement (B)	Variation (A-B)	Resolution
Employee Bonus – in Stock	0	0	0	None
Employee Bonus – in Cash	1,320,000	1,312,644	7,356	The variation was caused by changes in accounting estimates. The Company will recognize the variation in income statements of year 2020.
Directors' and Supervisors' Remuneration	7,350,000	7,649,535	-299,535	

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.