



Test Rite International Co., Ltd.
2013 Annual General Shareholders' Meeting
Meeting Minutes

Time: 9:00 am, June 17, 2013

Place: Test Rite (6F., No. 23, Hsin-Hu 3rd Road, Nei Hu, Taipei, Taiwan)

Total outstanding shares of Test Rite Int'l Co., Ltd. (excluding the shares with not voting rights stipulated in Article 179 of the Company Act): 487,087,558 shares

Total shares represented by shareholders present: 352,602,562 shares

Percentage of shares held by shareholders present: 72.39%

Chairperson: Mr. Tony Ho (Chairwoman, Ms. Judy Lee was away on business and appointed Mr. Tony Ho, Director, to chair the Annual General Shareholder's meeting) /Recorder: Mr. Hannis Chang

The aggregate shareholding of the shareholders present constituted a quorum. The Chairman called the meeting to order.

Chairman's Remarks(omitted)

Management Presentation

(Please refer to "Handbook for the 2013 Annual Meeting of Shareholders" for detail)

1. 2012 Business Report.
2. Supervisor's Review Report on the 2012 Financial Statements.
3. Share Buyback Execution Report and the Amendment to the Regulations of Repurchased Shares Transferred to Employees.
4. The adjustment made to the distributable earnings due to the adoption of the IFRSs for the first time, and the amount provided for the special reserve.

Additional disclosure regarding Test-Rite International's (The Company) acquisition of TR USA :

- (1)Reason for acquisition : The Company acquired TR USA in an effort to further consolidate TR Group resources while improving efficiency of subsidiaries and aligning with the company's growth strategy.
- (2)Evaluation process for the transaction : The acquisition has followed the disclosure guidance of Article 14 of Regulations Governing the Acquisition and Disposal of Assets by Public Companies for transactions involving related parties. Accordingly the Company has prepared the necessary supporting documents prior to Board of Directors' vote and Supervisors review. The required documents detailing the transaction's purpose, the need,



the expected benefit, and the reason for selecting related person's asset as the target. Valuation of the transaction was based on independent analysis provided by American Appraisal Taiwan Limited and KPMG Corporate Finance Co., Ltd., while KPMG and Deloitte & Touche provided their fairness opinion that the transaction is based on fairly valued valuations.

- (3) As accounting treatment of the transaction will have a different impact under IFRSs vs. Taiwan GAAP. Given the controlling stake of TR USA remains unchanged, the adjustment from the different accounting treatment will be reflected under additional paid-in capital in the statement of retained earnings. If additional paid in capital is insufficient, then the outstanding portion will be reflected under retained earnings. The adjustment as the result of the TR USA transaction is in two parts: 1) NT\$ 222.094 mn from the holdings of TR USA; 2) NT\$ 546.198 mn from the holdings of UpMaster, which indirectly holds TR USA.
- (4) The difference between book value of TR USA vs. accumulated investment amount :
- i. The company accumulated investment in TR USA since 1991 with initial investment of NT\$ 1,016.312 mn.
 - ii. Until 2008, the accumulated losses total NT\$ 774.174 mn during the initial investment phase of the business
 - iii. During the four year period of 2009-12, TR USA posted net profit of NT\$315.252mn.
 - iv. Following the acquisition, TR USA raised US\$25 mn via rights issue, which is 100% subscribed by the Company. Along with changes in the holding of TR USA, an adjustment to book value of NT\$ 213.519 mn and additional FOREX related adjustment of NT\$ 93.137 mn as required by Taiwan GAAP.
 - v. The net adjustment to retained earnings related to the difference between IFRSs and Taiwan GAAP is NT\$ 222.094 mn.

- (5) Since the completion of the TR USA acquisition in August 2012, the transaction is already earnings accretive. Additional earnings contribution of NT\$ 64.935 mn was direct result of the increase in ownership of TR USA.

All the items above were reported.

Proposals

(Please refer to "Handbook for the 2013 Annual Meeting of Shareholders" for detail)

1. Adoption of the 2012 Business Report and Financial Statements.
Resolution: Approved without dissent upon inquiry by the Chairman.
2. Adoption of the Proposal for 2012 Profits Distribution.
Resolution: Approved without dissent upon inquiry by the Chairman.



Discussion

(Please refer to “Handbook for the 2013 Annual Meeting of Shareholders” for detail)

1. Proposal for the issuance of public placement of common stock.

Resolution: Approved without dissent upon inquiry by the Chairman.

2. Amendment to Endorsement / Guarantee Procedures.

Resolution: Approved without dissent upon inquiry by the Chairman.

3. Amendment to Procedures for Lending Funds to Others.

Resolution: Approved without dissent upon inquiry by the Chairman.

4. Amendment to Procedures for Acquisition and Disposal of Assets.

Resolution: Approved without dissent upon inquiry by the Chairman.

5. Amendment to Articles of Incorporation.

Resolution: Approved without dissent upon inquiry by the Chairman.

Questions and Motions

Adjournment.