



Stock Code : 2908

Test Rite International Co., Ltd.

**Handbook for the 2015 Annual Meeting of
Shareholders**

MEETING TIME: 9:00 a.m., Wednesday, June 15, 2015

PLACE: 6F., No.23, Hsin Hu 3rd Rd., Nei Hu, Taipei, Taiwan, ROC



Table of Contents		
I. Meeting Procedure		P1
II. Meeting Agenda		P2
1.	Management Presentation	P3
2.	Proposals	P4
3.	Discussion(I)	P5
4.	Election	P6
5.	Discussion(II)	P11
6.	Questions and Motions	P11
III. Attachments		
1.	Business Report	P12
2.	Supervisor's Review Report	P16
3.	Consolidated Financial Statements for the Years Ended December 31, 2014 and 2013 and Independent Auditors' Report	P17
4.	2014 Profits Distribution Table	P25
5.	Procedures for Engaging in Derivatives Trading Reference Table for Revised Clauses	P26
6.	Endorsement/Guarantee Procedures Reference Table for Revised Clauses	P27
7.	Articles of Incorporation Reference Table for Revised Clauses	P28
IV. APPENDIX		
1.	Current Shareholdings of Directors and Supervisors	P29
2.	Details of Employee Bonus and Total Salary for the Board of Directors and Supervisors	P30
3.	Other Matters-Details of Shareholder Proposal at Shareholders' Meeting	P31



Test Rite International Co., Ltd .

Meeting Procedure for the 2015 Annual Meeting of Shareholders

- 1.Call Meeting to Order
- 2.Chairman’s Remarks
- 3.Management Presentation
- 4.Proposals
- 5.Discussion(I)
- 6.Election
- 7.Discussion(II)
- 8.Questions and Motions
- 9.Adjournment



**Test Rite International Co., Ltd.
2015 Annual General Shareholders' Meeting**

Agenda

Time: 9:00 a.m., June 15, 2015

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

Call Meeting to Order
Chairman's Remarks

Management Presentation

1. 2014 Business Report.
2. Supervisor's Review Report on the 2014 Financial Statements.
3. Share Buyback Execution Report.

Proposals

1. Adoption of the 2014 Business Report and Financial Statements.
2. Adoption of the Proposal for 2014 Profits Distribution.

Discussion(I)

1. Amendment to Procedures for Engaging in Derivatives Trading.
2. Amendment to Endorsement/Guarantee Procedures.
3. Amendment to Articles of Incorporation.
4. Proposal for the issuance of public placement of common stock.

Election

1. Election of Company Directors and Supervisors.

Discussion (II)

1. Remove Non-competition Clause for Newly Board Members and their Representatives.

Questions and Motions

Adjournment



Management Presentation

1. 2014 Business Report (proposed by the Board of Directors)

Details: The 2014 Business Report is attached as Attachment 1 on page 12~15.

2. Supervisor's Review Report on the 2014 Financial Statements (proposed by the Board of Directors)

Details: The 2014 Supervisor's Review Report is attached as Attachment 2 on page 16.

3. Share Buyback Execution Report (proposed by the Board of Directors)

Details:

- (1) The Company hereby submits the reports on its 11th and 13th share buybacks to the 2012 and 2013 shareholders' meeting, in accordance with Article 28-2 Paragraph 7 of the Securities and Exchange Act.
- (2) The 11th and 13th transfers of treasury shares were conducted as described in the table below.

Detail	Number of buy- back shares	Average price per buy- back share	Date of buy- back Shares transferred	Number of buy- back shares transferred	Date of buy- back shares cancelled	Number of buy- back shares cancelled	Accumulated number of buy- back shares
11	20,000,000	NTD22.13/share	2014/3/10	12,000,000	2014/10/7	8,000,000	0
13	11,868,000	NTD20.50/share	2015/4/24	7,800,000	N.A.	N.A.	4,068,000



Proposals

1. Adoption of the 2014 Business Report and Financial Statements (proposed by the Board of Directors)

Details:

- (1) 2014 parent level financial statements and consolidated financial statements, audited by independent auditors Mr. HONG, KUO-TYAN and Mr. WU, KER-CHANG of Deloitte & Touche, along with 2014 Business report, have been approved by the Board of Directors and examined by the supervisors of the company.
- (2) Please refer to Attachment 1 (page 12~15) for 2014 Business report and attached 3 (page 17~24) for Financial Statements.
- (3) 2014 Business report and Financial Statements are to be discussed for approval by the shareholders

Resolution:

2. Adoption of the Proposal for 2014 Profits Distribution (proposed by the Board of Directors)

Details:

- (1) In accordance with Articles of Incorporation, fiscal year 2014 profits are to be distributed in the following manners with profits from fiscal year 2014 are to be distributed with first. Please refer to Attachment 4 (page 25) for details.
 - i. 10% of the profits, or NT\$65,537,709, is to be reserved as Legal Reserve.
 - ii. Employee bonus, amounting to NT\$5,898,394, is to be distributed in cash. The Chairman is authorized to manage details related to employee bonus distribution.
 - iii. Total remuneration to directors and supervisors is NT\$11,296,788 dollars.
 - iv. Shareholder dividends totaled NT\$577,400,692 dollars. Total outstanding shares as of April 17th 2015 is 513,955,558 shares. After deducting treasury shares outstanding of 11,868,000 shares, the number of shares eligible for earnings distributions is 502,087,558 shares. Accordingly, each eligible share will receive a cash dividend payout of NT\$1.15 per share (payout amount of less than NT\$1 will be not be distributed).
 - v. After the distribution, the accumulated retained earnings is NT\$12,438,685.
- (2) The profit distribution proposal is to be approved by the shareholders at the 2015 shareholders' meeting. Following the proposal's approval, the board of directors, with the authority granted by the shareholder's meeting, will set the ex-dividend date. The board of directors should also be empowered to manage all issues related to dividend payouts in the event that the number of shares outstanding changes and impacts the payout ratio. Potential impact on shares outstanding may be the result of rights issuance, holders of convertible bond realizing their conversion options, or buy back, transfers, and cancellation of treasury shares.
- (3) The proposal is to be discussed for approval by shareholders.

Resolution:



Discussion(I)

1. Amendment to Procedures for Engaging in Derivatives Trading. Please proceed to discuss. (proposed by the Board of Directors)

Details:

- (1) Partial amendment to Procedures for Engaging in Derivatives Trading in accordance with no. 18 of Regulations Governing the Acquisition and Disposal of Assets by Public Companies.
- (2) Please refer to Attachment 5 (page 26) for details.
- (3) The amendment is to be discussed by the shareholder meeting.

Resolution:

2. Amendment to Endorsement/Guarantee Procedures. Please proceed to discuss. (proposed by the Board of Directors)

Details:

- (1) Partial amendment to Endorsement/Guarantee Procedures in accordance with regulatory and actual business needs.
- (2) Please refer to Attachment 6 (page 27) for details.
- (3) The amendment is to be discussed by the shareholder meeting.

Resolution:

3. Amendment to Articles of Incorporation. Please proceed to discuss. (proposed by the Board of Directors)

Details:

- (1) Partial amendment to Articles of Incorporation in accordance with regulatory and actual business needs.
- (2) Please refer to Attachment 7 (page 28) for details.
- (3) The amendment is to be discussed by the shareholder meeting.

Resolution:

4. Proposal for the issuance of public placement of common stock. Please proceed to discuss. (proposed by the Board of Directors)

Details:

In consideration of Company's future business needs, to enhance working capital, to improve financial structure of the Company, and to investment in subsidiaries, the Board of Directors submit a proposal for the issuance of public placement of common stock. Newly issued shares will be no more than 50 mn shares. The proposal should be completed within one year following the resolution is approved by the shareholders at the shareholder meeting. The related issues of the public placemanet is as follows :

- (1) This cash capital increase will be issued at a par value of NT\$10. If this cash capital increase is issued at a maximum of 50,000,000 shares, the dilution for the existing shareholders will be 8.87%. This capital increase will be used to support future operational and working capital needs, improve financial structure, and or reinvest in the expansion of continuing businesses of Test-Rite Group compoanies.r, and is expect to generate a positive impact for furture return for shareholders.
- (2) The issue price will be settled according to the self-regulatory rules of Taiwan Securities



Association and government's regulations. The Chairperson is authorized to set the issuing price according to market conditions at the time of the issuance and communicating with the underwriter.

- (3) While 10~15% of the new shares will be reserved for employee subscription, in compliance with Article 267 of Company Act, the remaining 85~90% of the new shares is to be reserved for public underwriting through a book building process. In addition, existing shareholders is expected to relinquish their subscription rights, according to Article 28-1 of Security and Exchange Act. All shares will be publicly offered based via the book building method.
- (4) For the shares that are not fully subscribed or is not subscribed, the Chairperson is authorized to allocate those shares to specified persons at the proposed issue price.
- (5) The rights and obligations associated with common shares issued in this cash capital increase are identical to those of the existing shares.
- (6) Subject to the approval of the proposed offering and issue by the competent authority, it is proposed that the record date of the subscription date be determined by the Chairperson and that the subscription price payment period, record date of the capital increase and other matters relating to the offering shall be determined by the Chairperson and/or his/her designate to be authorized to do so.
- (7) The proposal here is for shareholders to authorize Board of Directors, subject to market conditions, the reasonability to adjust and, settle major issues related to the public placement plan. The authority granted to Board of Directors include amendments of various details of the public placement issuance, when applicable regulations are changed or requested to change is made by the relevant government bodies. The proposal is for shareholder meeting to fully authorize Board of Directors to handle all relevant issues of the public placement.
- (8) The authority granted to Board of Directors include amendments of various details of the public placement issuance, when applicable regulations are changed or requested to change is made by the relevant government bodies. The proposal is for shareholder meeting to fully authorize Board of Directors to handle all relevant issues of the private placement.
- (9) The proposal is to be discussed by the shareholders during the shareholder meeting.

Resolution:

Election

1. Election of Company Directors and Supervisors. (proposed by the Board of Directors)

Details:

1. The term of office for seven directors and two supervisors will expire on June 17, 2015.
2. In accordance with the Articles of Incorporation, the Company should have seven directors and two supervisors with three years of term of office. Newly appointed directors and supervisors will assume their office after the present shareholders' meeting to June 15, 2015.
3. Please refer to the attachment for the "Rules and Procedure of the Directors and Supervisors election". (Omitted)
4. Please vote.

Resolution:



Supplement :

The Company will propose the following candidates of directors and supervisors in the Shareholders' Meeting. Please kindly support the following poll proposed by management.

Test Rite Int'l Co., Ltd.
Candidate list of Directors

Category	Name	Education	Professional Experience	Current Position
Director	Ms. Lee, Judy	<ul style="list-style-type: none"> ● BS, Bank and Insurance - Tamkang University 	<ul style="list-style-type: none"> ● General Manager of Test Rite Int'l Co., Ltd. ● Director of Tong Lung Metal Industry Co., Ltd. 	<ul style="list-style-type: none"> ● Chairperson of Test Rite Int'l Co., Ltd.
Director	Mr. Ho, Tony	<ul style="list-style-type: none"> ● EMBA, NTU - Fudan EMBA Joint Program ● BS, Philosophy - Fujen Catholic University 	<ul style="list-style-type: none"> ● Chairperson of Test Rite Int'l Co., Ltd. ● Chairperson of Tong Lung Metal Industry Co., Ltd. 	<ul style="list-style-type: none"> ● Chairman of Test Rite Group ● Chairman of Test Rite Retail Co., Ltd.
Director	Ms. Ho, Robin	<ul style="list-style-type: none"> ● MBA, Business Management - Fujen Catholic University ● BA, Business Administration - USC 	<ul style="list-style-type: none"> ● Vice President of Test Rite Int'l Co., Ltd. 	<ul style="list-style-type: none"> ● Vice President of Test Rite Int'l Co., Ltd.
Independent Director*	Mr. Liu, Ting-Yang	<ul style="list-style-type: none"> ● JD, Government Management - Peking University ● Doctor of Education in Computer Education - AIU ● MA, Education Administration - AIU ● BA of Law, Public Administration - National Chengchi University 	<ul style="list-style-type: none"> ● Principal of Taipei College of Maritime Technology ● Director of National Kaohsiung Normal University Graduate Institute of Human Resource and Knowledge Management ● Director Of Student Affairs of I-Shou University ● Chairman of Department of Business Administration ● Chairman of Department of Mass Communication ● Director Extension Education Center ● Acting Director of Graduate School of Management 	<ul style="list-style-type: none"> ● Member of Test Rite Remuneration and Compensation Committee ● Professor of Graduate Institute of Human Resource and Knowledge Management of National Kaohsiung Normal University ● Visiting Professor of Macau University of Science and Technology ● Contract Research Fellow of

Category	Name	Education	Professional Experience	Current Position
			<ul style="list-style-type: none"> ● Member of Research, Development and Evaluation Commission, Kaohsiung City Government ● Consultant of Kaohsiung County ● Research Fellow of China Trend Research Center of Peking University ● Research Fellow of Human Resources Management and Development Research Center of Peking University ● Independent Director of Her Chee Industrial Co., Ltd. ● Independent Director of Tekom Technology Co., Ltd. 	National Policy Foundation <ul style="list-style-type: none"> ● Director of Li-Chih Valuable School
Independent Director*	Mr. Ting, Hung-Hsun	<ul style="list-style-type: none"> ● BA of Accounting - Chinese Culture University ● CAP exam passed 	<ul style="list-style-type: none"> ● Manager of Certifying Dept. and Project Dept. of Baker Tilly Clock & Co ● Director of Alumni Association of Department of Accounting of Chinese Culture University ● Director of The Pacific Securities Co., Ltd. ● Director of Pacific SOGO Department Stores Co., Ltd. ● Honorary Instructor of Small and Medium Enterprise Administration, Ministry of Economic ● Chairman of the Education and Training Committee (Great China accountant network) of GRCC Consulting Services Group Limited 	<ul style="list-style-type: none"> ● Chairperson and Members of Test Rite Remuneration and Compensation Committee ● Independent Director 、 Chairperson and Member of the Audit Committee 、 Member of the Remuneration and Compensation Committee of ShunSin Technology Holdings Limited.


TESTRITE

Category	Name	Education	Professional Experience	Current Position
			<ul style="list-style-type: none"> ● Independent Director of Hola Home Furnishings Co., Ltd. ● Supervisor of Tien Liang Biotech Co., Ltd. ● Supervisor of Emerging Display Technologies Corp. 	
Director	Property Co., Ltd.* Representative: Ms. Lee, Ai-Chen	<ul style="list-style-type: none"> ● Commercial Senior High School 	<ul style="list-style-type: none"> ● Director of Tong Lung Metal Industry Co., Ltd. ● Director of ShiFu Industry Co., Ltd. 	<ul style="list-style-type: none"> ● Director of Test Rite Int'l Co., Ltd.
Director	Property Co., Ltd.* Representative: Mr. Chen, Wen-Tzong	<ul style="list-style-type: none"> ● MBA, Business Management - Regis University ● Master of Law - Soochow University 	<ul style="list-style-type: none"> ● Chairperson of Taiwan Financial Asset Service Corporation ● Director-General, National Taxation Bureau of the Northern Area, Ministry of Finance ● Deputy Director-General, National Taxation Bureau of the Northern Area, Ministry of Finance ● Supervisor of Taiwan Business Bank ● Director of Financial Information Service Co., Ltd. 	<ul style="list-style-type: none"> ● Director of Test Rite Int'l Co., Ltd. ● Independent Director of Garnd Pacific Petrochemical Corporation
Supervisor	Mr. Huang, Chung-Hsing	<ul style="list-style-type: none"> ● Ph.D., Business Administration - University of Texas at Austin 	<ul style="list-style-type: none"> ● Associate Dean of Business Administration College of National Taiwan University ● CEO of EMBA of National Taiwan University ● Director of school of Professional and Continuing Studies of National Taiwan University ● Independent supervisor of Delta Electronics Inc ● Independent director of ShareHope Medicine Inc. 	<ul style="list-style-type: none"> ● Director of Test Rite Int'l Co., Ltd. ● Associate Professor of Business Administration College of National Taiwan University ● Director of Delta Electronics Inc.


TESTRITE

Category	Name	Education	Professional Experience	Current Position
Supervisor	Tsai-Chi Co., Ltd. Representative: Mr. Liao, Hsueh-Hsing	<ul style="list-style-type: none"> ● Bachelor of Laws of National Taiwan University 	<ul style="list-style-type: none"> ● Managing Supervisor of Taipei bar association ; Director of Taiwan bar association 	<ul style="list-style-type: none"> ● Lawyer of Zhao Ming Law Firm ● Director of Muguangwen Education Foundation ● Director of Youngsun Culture and Education Foundation ● Director of Chew Foundation ● Consultant of Yilan County Government

Note : "*" means "new" to the Company

Discussion(II)

1.Remove non-competition clause for newly board members and their representatives. Please proceed to discuss. (proposed by the Board of Directors)

Description:

(1) According to Company Act article 209, a director who does anything for himself/herself or on behalf of another person that is within the scope of the company's businesses, shall explain to the meeting of shareholders the essential contents of such an act and secure the approval of the meeting of shareholders.

(2) A proposal is to remove the non-competition clause for newly elected directors who invest or run a business which has similar or same scope to the Company, under the condition that the Company's interests are not compromised.

(3)Directors and Independent-directors assume positions at the following companies :

Director	Company	Position
Mr. Ho, Tony	Test Rite Viet Nam Co., Ltd.	Director
Ms. Ho, Judy	Test Rite de Mexico, S. A. de C. V.	Director
	Hwa Hong Int'l Co., Ltd.	Director
	Rui Feng Int'l Co., Ltd.	Director
Ms. Ho, Robin	Test Rite International(Thailand) Ltd.	Director
	Test Rite de Mexico, S. A. de C. V.	Director
	Rui Feng Int'l Co., Ltd.	Director
Mr. Chen, Wen-Tzong	Grand Pacific Petrochemical Corporation	Independent Director
Mr. Ting, Hung Hsun	ShunSin Technology Holdings Limited	Independent Director

(4) Please approve proposal discussed above.

Resolution:

Questions and Motions

Adjournment



Attachment 1

Test Rite International Co., Ltd. Business Report

Dear shareholders,

Test-Rite's 2014 consolidated revenue, which includes trading and retail operations in Taiwan and China, totaled NT\$35.95 bn for a 2.1% increase. Net income attributable to shareholders increased by 11.1% YoY to NT\$ 705.7mn. The increase in net income can be attributable to economies of scale, resulting in operating margin expansion of 0.53 percentage point to 2.73%.

Excluding one-time items, net profit from recurring businesses was NT\$ 676.0 mn in FY2014, with recurring EPS of NT\$ 1.32 on a fully diluted basis, an increase of 28.9% and 30.9% respectively. Test-Rite's earnings growth in 2014 was fueled by gross margin improvement in our retail business in Taiwan and operating margin expansion of our trading business. FOREX contribution for FY2014 and FY2013 was NT\$ 35.5 mn and NT\$ 35.6 mn.

While operating environment in Taiwan and China remains challenging, demand for home furnishing and DIY products remained strong, buoyed by strong economic activities and equity markets. Revenue for our Taiwan retail operation, including TLW (DIY) and Hola, totaled NT\$ 17.2 bn in 2014, an increase of 3.3% YoY and accounted for 47.9% of our total revenue. Net profit of NT\$ 745.7 mn in FY2014 was flat versus FY2013. However, excluding the impact from the cash bonus rewards program that boosted both sales and net profit for FY2013, FY2014 sales increase would be higher at 4.3% and net profit would see an increase of NT\$100mn, driven by gross margin increase of 1.2ppt. Revenue for Hola China totaled NT\$ 4.1 bn, an increase of 5.2% and accounted for 11.4% of our total revenue. The increases are driven by higher private label products across all channels, and in particularly for Hola Taiwan. The home furnishing operation saw strong performance during the year, with sales totaling NT\$ 6.16bn, an increase of 9.4% YoY. The increase is driven by higher foot traffic and higher share of private label as a percentage of sale that reached 13.0% of the channel's revenue, an increase by 6.0 percentage point versus FY2013. We envision higher private label penetration will continue in FY2015

In 2014, we added one and two Hola stores in Taiwan and China respectively. In June 2014, we also re-launched our E-commerce platform in China, first in T-Mall and on Yi-hao-dian in 4Q14, to capture the ever-important E-commerce businesses. As of December 2014, we operated operate 26 TLW (DIY) stores, 23 HOLA stores in Taiwan, and 35 HOLA stores in China. In December 2013, we operated 26 TLW (DIY) stores and 22 HOLA stores in Taiwan, and 33 HOLA stores in China.

Our trading business continued to benefit from sustained recovery of consumer demand globally. Total shipments during the year reached NT\$18.45 bn, an increase of 4.6% YoY. In particular, shipments to Europe saw an increase of 39.9% to NT\$ 2.7 bn, accounting for 14.7% of total shipments. Our agency business, driven by strong auto and home related demand in the U.S., saw shipments increase by 9.1%, accounting for 31% of total shipment. This is a historical high for Test-Rite. The increase in shipments for our agency business is a critical



component to improving gross margin for our trading business as we recognize approximately 5% of shipment as commission revenue at 100% gross margin. In 2014, revenue from our trading operations increased 2.8% YoY to NT\$ 13.0 bn, of which commission revenue from agency business totaled NT\$255.4mn, or nearly 2% of our revenue. Given the sales growth, both principal trading and agency businesses benefitted from operating leverage, which saw a 1.0 percentage point increase for operating margin during the year to 4.3%.

We completed the acquisitions of three German trading subsidiaries in January, 2015. This is a key milestone for Test-Rite, as we now own 100% of our oversea sales offices. While we expect to continue to grow our German business via our newly acquired subsidiaries, we also intend to reestablish Test-Rite's presence in Europe, by leveraging our newly acquired warehouse facilities in order to extend Test-Rite's full service sourcing capabilities to our customers in Europe. Looking into 2015 and beyond, our newly established warehouse services in the Shanghai FTZ will also serve as another key growth driver, as we are able to offer even more efficient, full service trading and sourcing capabilities our customers worldwide.

Below please find Test-Rite's parent and consolidated operating result FY2014, along with business plan summary for FY2015 and future business strategy. We also included the highlight of possible impacts and challenges from external competition, changes in government regulations and global macroeconomic environment for your reference.

1. Operating result for 2014

i. Operating result based on business plan for 2014(consolidated):

(NT\$ mn)	2014A	2013A	YoY change by value	YoY change (%)
Net sales	35,946	35,204	742	2.11
COGS	25,114	24,594	520	2.11
Gross profit	10,832	10,610	222	2.09
Operating Expense	9,850	9,833	17	0.17
Operating profit	982	777	205	26.38
Non-op.profit/(loss)	(99)	(44)	-55	125.00
Net profit before tax	883	733	150	20.46
Net profit after tax	715	641	74	11.54
Recurring Net profit attribute to TRIC	706	635	71	11.18

ii. Operating result based on business plan for 2014(stand alone):

(NT\$ mn)	2014A	2013A	YoY change by value	YoY change (%)
Net sales	12,937	12,176	761	6.25
COGS	10,376	9,940	436	4.39
Gross profit	2,561	2,236	325	14.53
Operating Expense	2,394	2,162	232	10.73
Operating profit	167	74	93	125.68
Non-op.profit/(loss)	575	595	-20	-3.36
Net profit before tax	742	669	73	10.91
Net profit after tax	706	635	71	11.18



iii. Analysis of balance sheet & profitability (Consolidated)

Item	Year	2014A	2013A	YoY change (%)
Balance sheet	Total liability/total asset	70.46	70.93%	-0.66
	Current ratio	116.07	111.17%	4.41
Profitability	ROE	10.15	9.57%	6.03
	Net margin	1.99	1.82	9.32
	EPS	1.42	1.30	9.23

2、2015 Business plan and future development strategy

(1) Business plan and managerial principle:

- Open 5-8 stores in Taiwan and China, include the first Crate & Barrel stores in the shopping Mecca of Taipei, Sinyi District
- Ramp up E-commerce product offerings in Taiwan and China (re-launched e-commerce in China began in June 2014)
- Further integrate merchandising team for Taiwan and retail to benefit from
- Expand warehousing capability in Taiwan to support business needs (Crate & Barrel/E-commerce)
- Post M&A integration of German subsidiaries and establishment of European Hub
- Leverage newly established Shanghai FTZ to provide more efficient and more integrated sourcing and supply chain management service
- Continue integration of trading and retail operations to realize potential synergy

(2) Future development strategy:

- Continue to leverage in-house design capabilities to provide differentiating products for both trading and retail businesses in order to transform Test-Rite to a products company
- Increase private label penetrate rate to drive earnings growth in all retail formats as private label products have higher GM% vs. non private label products
- Identify new products/brand for licensing opportunities in Taiwan and China
- Maintain existing relationships with trading customers and (principal and agency) while aggressively pursue potential agency opportunities
- Pursue M&A opportunities for both trading and retail businesses to compliment organic growth of our existing businesses

3、Potential influence from external competition, regulation and macroeconomic environment

As we are less than 12 months away from the next Presidential election in 2016 in Taiwan, it is probable that the authorities will continue its effort to reign in the overheated real estate market. This may have a prolonged adverse impact on demand for DIY and home furnishing related products, which is exacerbated by policy shifts that may negatively impact disposal income, including higher electricity price increases and higher dividend tax to support the national healthcare programs. However, higher equity market levels and the expected pay increases in both public and private sectors may lend support overall household income and consumer confidence level in Taiwan.



In China, the authorities have continued to reign in the purported excess spending of wealthy individuals. The result is a substantial slowdown of property market transactions and retail sales, which saw declines of 6.3% and increases of 12.2% on a national basis, lower by 5~10 percentage point than its recent peak. These issues, along with rising labor costs, have significantly increased the challenges of our retail operation in China. However, our aspiration to become the premier retail operator in home related categories remain unchanged and we plan to expand our operation open 5 to 8 new stores in Taiwan and China, including the first Crate and Barrel store as a franchisee in Taipei, Taiwan. The competitive landscape for retailers globally is rapidly changing. However, Test-Rite is uniquely positioned as a supplier to many of the top retail operators globally and as a retail operator locally. We intend to fully leverage our strengths to grow our principle shipments, add new agency customers (Fred's agency agreement was signed in 2H14), and continue to introduce new and unique products to our portfolio for both trading and retail operations.

Lastly, all staff of Test Rite Group will spare no efforts to adequately plan, and manage our trading, retail and other group businesses in an honest, sincere and dedicated manner, with the objective to improve our balance sheet and further enhance returns on shareholder equity (ROE). We, the management team of Test-Rite, on behalf of all the employees of the company, would like to take this opportunity to thank our shareholders for your continued support and encouragement.

Chairman: Judy Lee

GM: Sophia Tong

Controller: Linda Lin



Attachment 2

To: Test Rite International Co., Ltd. 2015 Shareholders Meeting
From: Supervisors of Test Rite International Co., Ltd
Re: Supervisor's review report on the 2014 Financial Statements

Dear shareholders,

Here we ensure the annual financial reports of TRIC stands alone and its consolidation for 2014 have been rendered by Board and audited independent auditors Mr. HONG, KUO-TYAN and Mr. WU, KER-CHANG of Deloitte Touche. Further we review 2014 Business report and 2014 Profits Distribution proposal and assure to it's compliance with Company Act No. 219 as well.

Supervisors:
Tsai-Chi Co., Ltd.
Representative: Mr. Lai, Yung-Chi
Representative: Mr. Liao, Hsueh-Hsing

March 25, 2015



Attachment 3

**Test-Rite International Co., Ltd. and
Subsidiaries**

**Consolidated Financial Statements for the
Years Ended December 31, 2014 and 2013 and
Independent Auditors' Report**

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Test-Rite International Co., Ltd.

We have audited the accompanying consolidated balance sheets of Test-Rite International Co., Ltd. and its subsidiaries (the "Company") as of December 31, 2014 and 2013, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2014 and 2013 (all expressed in thousands of New Taiwan dollars). These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the Rules Governing the Audit of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Those rules and standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2014 and 2013, and their consolidated financial performance and their consolidated cash flows for the years ended December 31, 2014 and 2013, in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed by the Financial Supervisory Commission of the Republic of China.

We have also audited the parent company only financial statements of Test-Rite International Co., Ltd. as of and for the years ended December 31, 2014 and 2013 on which we have issued an unqualified report.

March 25, 2015

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail. Also, as stated in Note 4 to the consolidated financial statements, the additional footnote disclosures that are not required under accounting principles and practices generally applied in the Republic of China were not translated into English.



TEST-RITE INTERNATIONAL CO., LTD. AND SUBSIDIARIES

**CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2014 AND 2013
(In Thousands of New Taiwan Dollars)**

ASSETS	2014		2013	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 2,316,128	9	\$ 2,418,439	10
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	1,053,554	4	351,967	1
Debt investments with no active market - current (Notes 4 and 9)	158,668	1	166,123	1
Notes receivable (Notes 4 and 10)	78,835	-	5,176	-
Trade receivables (Notes 4 and 10)	3,031,812	12	2,754,264	12
Other receivables	411,106	2	455,619	2
Inventories (Notes 4 and 11)	5,696,015	23	5,154,266	22
Prepayments	385,433	2	563,633	2
Other current financial assets	1,707	-	262	-
Other current assets	60,925	-	141,552	1
Total current assets	<u>13,194,183</u>	<u>53</u>	<u>12,011,301</u>	<u>51</u>
NON-CURRENT ASSETS				
Financial assets measured at cost - non-current (Notes 4 and 8)	71,085	-	71,823	-
Debt investments with no active market - non-current (Notes 4 and 9)	50,000	-	50,000	-
Property, plant and equipment (Notes 4 and 12)	6,048,084	24	6,208,064	27
Goodwill (Notes 4 and 13)	2,231,278	9	2,205,300	9
Other intangible assets (Notes 4 and 14)	241,740	1	214,036	1
Deferred tax assets (Notes 4 and 23)	1,182,045	5	1,089,192	5
Refundable deposits paid	974,859	4	933,648	4
Prepayments for investment (Note 28)	44,404	-	-	-
Other non-current assets	883,268	4	588,874	3
Total non-current assets	<u>11,726,763</u>	<u>47</u>	<u>11,360,937</u>	<u>49</u>
TOTAL	<u>\$ 24,920,946</u>	<u>100</u>	<u>\$ 23,372,238</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 15)	\$ 2,749,782	11	\$ 2,256,663	10
Short-term bills payable (Note 15)	79,957	-	9,997	-
Notes payable	35,216	-	101,403	-
Trade payables	5,860,687	23	5,365,575	23
Other payables (Notes 4 and 17)	1,382,290	6	1,831,223	8
Current tax liabilities (Note 4)	87,247	-	105,401	-
Advance receipts	464,746	2	603,381	3
Current portion of long-term borrowings (Note 15)	500,000	2	300,000	1
Other current liabilities	207,748	1	230,843	1
Total current liabilities	<u>11,367,673</u>	<u>45</u>	<u>10,804,486</u>	<u>46</u>
LONG-TERM LIABILITIES				
Long-term borrowings (Note 15)	<u>5,662,504</u>	<u>23</u>	<u>5,227,615</u>	<u>23</u>
NON-CURRENT LIABILITIES				
Accrued pension liabilities (Notes 4 and 20)	125,072	1	123,385	-
Refundable deposits received	225,464	1	197,999	1
Deferred credit (Note 12)	100,000	-	150,000	1
Other non-current liabilities	79,258	-	75,593	-
Total non-current liabilities	<u>529,794</u>	<u>2</u>	<u>546,977</u>	<u>2</u>
Total liabilities	<u>17,559,971</u>	<u>70</u>	<u>16,579,078</u>	<u>71</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Share capital				
Common stock (Notes 4 and 19)	<u>5,139,555</u>	<u>21</u>	<u>5,219,555</u>	<u>22</u>
Capital surplus (Notes 4 and 19)	<u>678,829</u>	<u>3</u>	<u>694,476</u>	<u>3</u>
Retain earnings (Notes 4 and 19)				
Legal reserve	929,953	4	874,164	4
Special reserve	148,098	-	148,098	1
Unappropriated earnings	655,376	3	557,887	2
Total retain earnings	<u>1,733,427</u>	<u>7</u>	<u>1,580,149</u>	<u>7</u>
Other equity (Notes 4 and 19)	29,813	-	(2,390)	-
Treasury shares (Notes 4 and 20)	(248,171)	(1)	(729,124)	(3)
Total equity attributable to owners of the Company	7,333,453	30	6,762,666	29
NON-CONTROLLING INTERESTS (Note 4)	<u>27,522</u>	<u>-</u>	<u>30,494</u>	<u>-</u>
Total equity	<u>7,360,975</u>	<u>30</u>	<u>6,793,160</u>	<u>29</u>
TOTAL	<u>\$ 24,920,946</u>	<u>100</u>	<u>\$ 23,372,238</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.



TEST-RITE INTERNATIONAL CO., LTD. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2014		2013	
	Amount	%	Amount	%
OPERATING REVENUE (Note 4)	\$ 35,946,241	100	\$ 35,203,864	100
OPERATING COSTS (Note 11)	<u>25,114,215</u>	<u>70</u>	<u>24,593,530</u>	<u>70</u>
GROSS PROFIT	10,832,026	30	10,610,334	30
OPERATING EXPENSES	<u>9,850,124</u>	<u>27</u>	<u>9,833,596</u>	<u>28</u>
PROFIT FROM OPERATIONS	<u>981,902</u>	<u>3</u>	<u>776,738</u>	<u>2</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	17,992	-	19,754	-
Other income	172,754	-	211,972	1
Gain on sale of investments, net	14,472	-	9,950	-
Foreign exchange gains	-	-	1,553	-
Net gain on fair value change of financial assets and liabilities designated as at fair value through profit or loss	317,254	1	34,036	-
Interest expense	(188,093)	(1)	(152,665)	-
Other expense	(179,914)	-	(160,778)	(1)
Loss on disposal of property, plant and equipment	(5,038)	-	(7,838)	-
Foreign exchange losses	<u>(248,185)</u>	<u>(1)</u>	<u>-</u>	<u>-</u>
Total non-operating income and expenses	<u>(98,758)</u>	<u>(1)</u>	<u>(44,016)</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	883,144	2	732,722	2
INCOME TAX EXPENSE (Notes 4 and 21)	<u>(167,977)</u>	<u>-</u>	<u>(92,108)</u>	<u>-</u>
NET PROFIT FOR THE YEAR	<u>715,167</u>	<u>2</u>	<u>640,614</u>	<u>2</u>
OTHER COMPREHENSIVE INCOME AND LOSSES				
Exchange differences on translating foreign operations	31,036	-	27,038	-
Actuarial gain and loss arising from defined benefit plans	<u>6,287</u>	<u>-</u>	<u>2,694</u>	<u>-</u>
Other comprehensive income for the year	<u>37,323</u>	<u>-</u>	<u>29,732</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 752,490</u>	<u>2</u>	<u>\$ 670,346</u>	<u>2</u>

(Continued)



TEST-RITE INTERNATIONAL CO., LTD. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)**

	2014		2013	
	Amount	%	Amount	%
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 705,731	2	\$ 635,139	2
Non-controlling interests	<u>9,436</u>	<u>-</u>	<u>5,475</u>	<u>-</u>
	<u>\$ 715,167</u>	<u>2</u>	<u>\$ 640,614</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME				
ATTRIBUTABLE TO:				
Owners of the Company	\$ 744,221	2	\$ 658,927	2
Non-controlling interests	<u>8,269</u>	<u>-</u>	<u>11,419</u>	<u>-</u>
	<u>\$ 752,490</u>	<u>2</u>	<u>\$ 670,346</u>	<u>2</u>
EARNINGS PER SHARE (Notes 4 and 22)				
Basic	<u>\$ 1.42</u>		<u>\$ 1.30</u>	<u>\$ -</u>
Diluted	<u>\$ 1.42</u>		<u>\$ 1.30</u>	<u>\$ -</u>

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)



TEST-RITE INTERNATIONAL CO., LTD. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Owners of the Company						Other Equity		Treasury Shares	Total	Non-controlling Interests	Total Equity
	Share Capital		Capital Surplus	Retained Earnings			Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Available-for-sale Financial Assets				
	Share (In Thousands of Shares)	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings						
BALANCE AT JANUARY 1, 2013	521,956	\$ 5,219,555	\$ 694,476	\$ 805,210	\$ -	\$ 663,161	\$ (23,509)	\$ 25	\$ (729,124)	\$ 6,629,794	\$ 19,075	\$ 6,648,869
Special reserve under Rule No. 1010012865 issued by the FSC	-	-	-	-	148,098	(148,098)	-	-	-	-	-	-
Appropriation of 2012 earnings												
Legal reserve	-	-	-	68,954	-	(68,954)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(526,055)	-	-	-	(526,055)	-	(526,055)
Net profit for the year ended December 31, 2013	-	-	-	-	-	635,139	-	-	-	635,139	5,475	640,614
Other comprehensive income for the year ended December 31, 2013	-	-	-	-	-	2,694	21,094	-	-	23,788	5,944	29,732
Total comprehensive income for the year ended December 31, 2013	-	-	-	-	-	637,833	21,094	-	-	658,927	11,419	670,346
BALANCE AT DECEMBER 31, 2013	521,956	5,219,555	694,476	874,164	148,098	557,887	(2,415)	25	(729,124)	6,762,666	30,494	6,793,160
Appropriation of 2013 earnings												
Legal reserve	-	-	-	55,789	-	(55,789)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(502,088)	-	-	-	(502,088)	-	(502,088)
Net profit for the year ended December 31, 2014	-	-	-	-	-	705,731	-	-	-	705,731	9,436	715,167
Other comprehensive income for the year ended December 31, 2014	-	-	-	-	-	6,287	32,203	-	-	38,490	(1,167)	37,323
Total comprehensive income for the year ended December 31, 2014	-	-	-	-	-	712,018	32,203	-	-	744,221	8,269	752,490
Treasury shares transferred to employees (Note 20)	-	-	17,344	-	-	-	-	-	313,665	331,009	-	331,009
Retirement of treasury shares (Notes 19 and 20)	(8,000)	(80,000)	(32,991)	-	-	(54,297)	-	-	167,288	-	-	-
Equity transactions with non-controlling interests (Note 24)	-	-	-	-	-	(2,355)	-	-	-	(2,355)	(11,241)	(13,596)
BALANCE AT DECEMBER 31, 2014	513,956	\$ 5,139,555	\$ 678,829	\$ 929,953	\$ 148,098	\$ 655,376	\$ 29,788	\$ 25	\$ (248,171)	\$ 7,333,453	\$ 27,522	\$ 7,360,975

The accompanying notes are an integral part of the consolidated financial statements.



TEST-RITE INTERNATIONAL CO., LTD. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(In Thousands of New Taiwan Dollars)**

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 883,144	\$ 732,722
Adjustments for:		
Depreciation expenses	644,286	668,398
Amortization expenses	165,887	143,140
(Reversal of) impairment loss recognized on trade receivables	(808)	4,501
Net gain on fair value change of financial assets and liabilities designated as at fair value through profit or loss	(317,254)	(34,036)
Interest expense	188,093	152,665
Interest income	(17,992)	(19,754)
Compensation cost of employee share options	8,250	-
Loss on disposal and impairment of property, plant and equipment	5,038	7,838
Gain on sale of investments	(2,115)	(9,950)
Unrealized net loss (gain) on foreign currency exchange	248,185	(1,553)
Amortization of unrealized gain on sale-leaseback	(50,000)	(50,000)
Changes in operating assets and liabilities		
Financial assets held for trading	81,141	(39,092)
Notes receivable	(73,659)	31
Trade receivables	(524,925)	(303,563)
Other receivables	44,715	(95,212)
Inventories	(541,749)	(313,375)
Prepayments	178,200	(42,611)
Other current assets	23,704	(50,212)
Other financial assets	(1,445)	337
Other operating assets	(231,855)	198,932
Notes payable	(66,187)	82,029
Trade payables	495,112	817,872
Other payables	(462,306)	(360,783)
Advance receipts	(138,635)	(692)
Other current liabilities	(23,095)	7,771
Other operating liabilities	11,639	(10,873)
Cash generated from operations	525,369	1,484,530
Interest received	17,790	23,636
Interest paid	(177,343)	(151,766)
Income tax paid	(190,271)	(114,397)
Net cash generated from operating activities	<u>175,545</u>	<u>1,242,003</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through profit or loss	(465,474)	-
Decrease (increase) in debt investments with no active market	7,455	(166,123)
Proceeds on sale of financial assets measured at cost	2,853	6,969
Proceeds from decreased capital stock of financial assets carried at cost - non-current	-	4,867
Increase in prepayments of investment	(44,404)	-

(Continued)



TEST-RITE INTERNATIONAL CO., LTD. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(In Thousands of New Taiwan Dollars)**

	2014	2013
Net cash outflow on acquisition of subsidiaries (Note 23)	\$ -	\$ (8,053)
Payments for property, plant and equipment	(731,541)	(703,022)
Proceeds from disposal of property, plant and equipment	7,187	14,588
Increase in refundable deposits paid	(41,211)	(91,844)
Payments for intangible assets	(40,477)	(119,806)
Proceeds from disposal of intangible assets	<u>-</u>	<u>21,673</u>
Net cash used in investing activities	<u>(1,305,612)</u>	<u>(1,040,751)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	493,119	492,534
Increase in short-term bills payable	69,960	9,997
Increase in long-term borrowings	3,510,564	2,496,413
Repayments of long-term borrowings	(2,875,675)	(2,181,995)
Increase in refundable deposits received	27,465	17,528
Dividends paid to owners of the Company	(502,088)	(526,055)
Proceeds from treasury stock transferred to employees	322,759	-
Payments for equity transactions with non-controlling interests	<u>(13,596)</u>	<u>-</u>
Net cash generated from financing activities	<u>1,032,508</u>	<u>308,422</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(4,752)</u>	<u>27,038</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(102,311)	536,712
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>2,418,439</u>	<u>1,881,727</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 2,316,128</u>	<u>\$ 2,418,439</u>

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

**Test Rite International Co., Ltd
2014 Profits Distribution Table**

(NTD)

Item	Amonut	Notes
Beginning balance of retained earnings	11,301	
Adjusted retained earnings for Investments accounted for using equity method	11,489,974	
Actuarial gains recognized under retained earnings	(7,558,004)	
Retirement of treasury shares and recorded as retained earnings	(54,296,656)	
Adjusted undistributed earnings (a)	(50,353,385)	
Add: Net profit after tax(b)	705,730,471	
Less: 10% for Legal reservation	(65,537,709)	(a+b)*10%
Earnings available for pay-out	589,839,377	
Allocation:		
Cash dividend	(577,400,692)	NTD 1.15 per share
Sub total	(577,400,692)	
Ending balance of retained earnings	<u>12,438,685</u>	
Remuneration to directors and supervisors : 11,296,788		
Cash bonus for employees : 5,898,394		

Chairman: Judy Lee

GM: Sophia Tong

Controller: Linda Lin

Further information as below:

Note 1: The remuneration of directors and supervisors that should be distributed by the Company in 2014 according to the articles of incorporation is NT\$11,796,788. To comply with the resolution of the board of directors regarding the average remuneration to directors and supervisors (excluding remuneration for part-time employees) on October 21, 2014, the amount to be distributed in 2015 will be NT\$11,296,788.

Note 2: As of April 17th, 2015, the total number of common stocks outstanding is 513,955,558 shares. After adjusting for 11,868,000 of treasury shares on hand, the the number of shares eligible to receive the above proposal of earnings distribution is 502,087,558 shares.

Attachment 5
TEST RITE International Co., Ltd.
**Procedures for Engaging in Derivatives Trading
Reference Table for Revised Clauses**

Article No.	Original clause	Revised clause	Basis and reasons for revision
Article 4	<p>Trading principles and strategies</p> <p>5、Total contract amount and setting of stop-loss point</p> <p>(1) (Omitted)</p> <p>(2) Setting of stop-loss point</p> <p>Limits on loss of all and individual contract are set forth as follows:</p> <p>a. Hedging operatoin: Hedging is mainly used to avoid risk the company may be exposed to during normal course of operation. Because the associated risks of establishing heding positions are considered prior to the positions are established, maximum possible loss is not an issue. However, if the loss of entire hedging positions exceeds 70% of risk position of the Company, a notice shall be given to relevant management immediately for discussion of reactive measure. If necessary, the chairman may take measure first, and then reported such measure to the board of directors for approval.</p> <p>b. (Omitted)</p>	<p>Trading principles and strategies</p> <p>5、Total contract amount and setting of stop-loss point</p> <p>(1) (Omitted)</p> <p>(2) Setting of stop-loss point</p> <p>Limits on loss of all and individual contract are set forth as follows:</p> <p>a. Hedging operatoin: Hedging is mainly used to avoid financial risks the company may be exposed to during normal course of operation. The associated risks of establishing heding positions are considered prior to the positions are established. However, if the loss of entire hedging positions exceeds 70% of risk position of the Company, a notice shall be given to relevant management immediately for discussion of reactive measure. If necessary, the chairman may take measure first, and then reported such measure to the board of directors for approval.</p> <p>b. (Omitted)</p>	<p>Revision is made in accordance with regulatory.</p>

Attachment 6
TEST RITE International Co., Ltd.
**Endorsement/Guarantee Procedures
Reference Table for Revised Clauses**

Article No.	Original clause	Revised clause	Basis and reasons for revision
Article 6	For Endorsements/guarantees made by the Company shall, in principle, be made after receipt of approval resolved by the Board of Directors. However, for the timely needs, the Board of Director may authorize the Chairman to predetermine a single endorsement/guarantee in the amount not exceeding two hundred million NT dollars to the extent of the limits under the preceding article, and subsequently report such endorsement/guarantee to the Board of Directors for ratification.	For Endorsements/guarantees made by the Company shall, in principle, be made after receipt of approval resolved by the Board of Directors. However, for the timely needs, the Board of Director may authorize the Chairman to predetermine a single endorsement/guarantee in the amount not exceeding <u>three hundred and fifty million</u> NT dollars to the extent of the limits under the preceding article, and subsequently report such endorsement/guarantee to the Board of Directors for ratification.	Revision is made in accordance with regulatory change and actual business needs.

TEST RITE International Co., Ltd.
Articles of Incorporation
Reference Table for Revised Clauses

Article No.	Original clause	Revised clause	Basis and reasons for revision
Article 31-2	<p>Dividend policy</p> <p>The industry in which the Company is engaged contains a large number of variables and uncertainties. As the life cycle of the Company's development enters the stable and mature phase and taking into account the Company's diversification, future operating plans, capital requirements, and long-term financial planning, as well as in consideration of shareholders' interests, our dividend policy shall be formulated in accordance with the provisions of the Company Act and other relevant regulatory requirements to ensure the soundness and balance of dividend distribution. Shareholder dividends to be distributed in a combination of capital increase by surplus, capital increase by capital reserve, and cash dividends. Cash dividends must not be less than 10% of the total shareholder dividends. However, cash dividends under NT\$0.10 per share will not be distributed as cash dividends, and may instead be distributed entirely as share dividends.</p>	<p>Dividend policy</p> <p>The industry in which the Company is engaged contains a large number of variables and uncertainties. As the life cycle of the Company's development enters the stable and mature phase and taking into account the Company's diversification, future operating plans, capital requirements, and long-term financial planning, as well as in consideration of shareholders' interests, our dividend policy shall be formulated in accordance with the provisions of the Company Act and other relevant regulatory requirements to ensure the soundness and balance of dividend distribution. Shareholder dividends to be distributed <u>should not be less than 50% of the earnings available for distribution and may be distributed in cash and/or shares.</u> Cash dividends must not be less than 10% of the total shareholder dividends. However, cash dividends under NT\$0.10 per share will not be distributed as cash dividends, and may instead be distributed entirely as share dividends.</p>	Revision is made in accordance with regulatory change and actual business needs..
Article 34	<p>The Articles of Incorporation were drawn up on July 24, 1978. (Omitted)</p> <p>The 39th revision was adopted on June 11, 2014.</p>	<p>The Articles of Incorporation were drawn up on July 24, 1978. (Omitted)</p> <p><u>The 40th revision was adopted on June 15, 2015.</u></p>	Adding revision date.



Appendix 1

Test Rite International Co., Ltd.

Current Shareholdings of Directors and Supervisors

Record Date: April 17, 2015

Title	Title Shareholding Name	The minimum number of shares	Number of shares	
			Shares	Total
Chairman	Ms. Lee, Judy	20,558,222	20,599,294	66,905,506
Directors	Mr. Ho, Tony		43,995,550	
	Mr. Huang, Hsin-Hsien		0	
	Ms. Ho, Robin		1,704,579	
	Property Co., Ltd. Representative: Ms. Lee, Ai-Chen		606,083	
	Property Co., Ltd. Representative: Mr. Huang, Chung-Hsing		606,083	
	Property Co., Ltd. Representative: Ms. Chen, Wen-Tzong		606,083	
Supervisor	Tsai-Chi Co., Ltd. Representative: Mr. Lai, Yung-Chi		2,055,822	
	Tsai-Chi Co., Ltd. Representative: Mr. Liao, Hsueh-Hsing	32,327,389		

Notes:

1. The shareholding ratios in this table are based on a total of 513,955,558 outstanding shares as of the book close date before this year's Shareholders Meeting.
2. The tenure of directors is from June 18, 2012 to on June 17, 2015.

* According to Article 26 of the Securities and Exchange Act and Article 2, Paragraph 1, Sub-paragraph 4 and Paragraph 2 of the Regulations Governing Ratios and Auditing of Director and Supervisor Share Ownership at Public Companies: the minimum number of shares that may be held by all Company directors is 20,558,222 shares, and the minimum number of shares that may be held by all supervisors is 2,055,822 shares.

Appendix 2
Details of Employee Bonus and Total Salary for the Board of Directors and Supervisors

1. As pursuant of the Company Act and Article of Incorporation, the Company, after reporting positive earnings for a given fiscal year and paying applicable taxes, should first reserve its earnings to cover any losses from prior years. Thereafter, the company should reserve 10% of its earnings for legal reserve before allocating no less than 1% of its earnings for employee bonus, and 2% of its earnings for the salary for the Board of Directors and Supervisors.
For the company's employee's, bonus can be issued via new shares or cash. Bonus issued as new shares, can also be distributed to employees of the company's subsidiaries, subject to their elibility. The elibility of to receive stock bonus is determined byby the Chairperson, under the authority granted by the shareholders.
2. On March 25th, the Board of Directors approved employee cash bonus of NT\$ 5,898,394 and remuneration to directors and supervisors of NT\$11,796,788. However, in order to comply withBoard of Directors's resolution regarding the proposal of average remuneration to directors and supervisors (excluding remuneration for part-time employees), passed on October 21, 2014, the amount to be distributed this year will be reduced to NT\$11,296,788.

Items for Distribution	As proposed by the Board (A)	Estimated expense (B)	Difference (A)-(B)	Remark
Employee cash bonus	5,898,394	5,500,000	398,394	Difference is between estimate and actual expense. Since, the difference is minor, the amount will be applied to 2015 earnings.
Remuneration to directors and supervisors	11,296,788	11,100,000	196,788	

Appendix 3**Other Matters-Details of Shareholder Proporsal at Shareholders' Meeting**

Note:

1. According to Company Act No. 172, Shareholders who hold more than 1% can submmit only ONE written shareholder proposal that is 300 characters or less.
2. Written subimssion of shareholder proposals must be submitted between the dates of April 7th, 2015 and April 17th, 2015. The Company has posted information regarding shareholder proposals on the Market Obeservation Post System (MOPS) as required by regulation .
3. The company has not yet to receive any written submission of shareholder proposals.