

## AIRTAC INTERNATIONAL GROUP

亞德客國際集團

### Meeting Minutes of the 2012 Annual General Meeting of Shareholders

Time of Meeting: 9:00 A.M. on June 14, 2012

Venue: No.28, Wen Hua Second Road, Gui Shan Township, Taoyuan County

Shares present in person or in proxy: 127,181,500 out of a total of 149,999,998 shares outstanding, which represents 84.78% of shares outstanding

Chair of the Meeting: Shih-Chung Wang (the “Chairman”)

Secretary of the Meeting: Shan-Wen Wang (Connie Wang)

Others Present:

- Shun-Cheng Lan – General Manager
- Yu-Chen Shaw – Director
- Chiang-Ti Lin –Director
- Bao-Guang Chang – Independent Director
- Chih-Chun Chiang – Independent Director
- Ming-Zhong Hsieh– Accountant (CPA)
- Chun-Wen Wang – Lawyer
- Yung-Hsiang Tsao – Chief Financial Officer (CFO)

**Chairman’s Message** (Omitted)

#### **Matters to Report:**

1. **2011 Annual Business Report**

**Explanation:** 2011 Annual Business Report of the Company, please refer to Exhibit A.

2. **2011 Annual Audit Committee Audit Report**

**Explanation:** 2011 Annual Audit Committee Audit Report of the Company, please refer to Exhibit B.

#### **Matters for Recognition:**

1. **Recognition of Airtac International Group’s 2011 Business Report and Consolidated Financial Statements**

**Explanation:**

- (1) The Company’s 2011 financial statements were duly audited by the CPAs Hui-Ming Chen and Ming-Zhong Hsieh of Deloitte & Touche with an unqualified opinion report. The financial statements were already approved in Board of Director’s meeting on March 14, 2012.
- (2) The aforementioned reports, business reports, Audit Committee’s audit report and 2010 consolidated financial statements (please refer to Exhibits A, B, and C) are hereby submitted to this Meeting for recognition.

**Resolved,** THAT the above is approved by ordinary resolution (approved by 102,146,453 shares, presenting 80.45% of the shares present).

2. **Approval of distribution of earnings for the year 2011**

**Explanation:**

- (1) The earnings distribution proposal for the year 2011 below was previously approved by the Board of Directors of the Company pursuant to the M&A of the Company.
- (2) The divisible surplus of the Company for the year 2011 amounts to RMB 366,513,767 (net profit (after tax) of the Company for the year 2011 amounted to a total of RMB 280,870,797 plus retained earnings of RMB 85,642,970). The Company intends to distribute cash dividends RMB 1.13 per share (which equals to NT\$ 5.3), the total amount of the cash dividend is RMB169,499,998 which equals to NT\$794,999,989. The distribution of employee cash bonus amounts to RMB 8,310,000.
- (3) After earnings distribution proposal for the year 2011 is approved by the shareholders' meeting, the Board of Directors is authorized to set the record date and arrange other related matters.
- (4) The Board of Directors is authorized to make any necessary adjustments to the distribution ratio in case of change of laws, requirement by competent authorities, change in the number of outstanding shares of the Company caused by repurchase of company shares, conversion of convertible bonds or employee stock options or other factors.
- (5) The Company's earnings distribution proposal shall be adopted by an ordinary resolution.
- (6) The earnings distribution proposal for the year 2011 as below is hereby submitted to this Meeting for approval:

Airtac International Group  
Earnings Distribution Table  
2011

		Unit: RMB Yuan
Beginning Retained Earnings	\$	85,642,970
plus: 2011 Net Profit		280,870,797
2011 Distributable Surplus		366,513,767
Distribution Proposal:		
Dividends to Stockholders (Cash dividend of RMB 1.13 per share)		169,499,998
Retained Earnings	\$	197,013,769
Note 1: The distribution of employee cash bonus of RMB 8,310,000 amounts to 4.9% of earnings to be distributed for the year 2011.		
Note 2: The distribution of shareholder dividends is based on the current number of shares outstanding (149,999,998 shares).		

**Resolved,** THAT the above is approved by ordinary resolution (approved by 102,146,453 shares, presenting 80.45% of the shares present).

**Matters for Discussion**

1. **Approval of the amendments to the “Guidelines for Acquisition and Disposal of Assets” of the Company**

**Explanation:** The amendments to the “Guidelines for Acquisition and Disposal of Assets” (as Exhibits D) were approved by the Board of Directors on March 14, 2012, which shall be adopted by an ordinary resolution and is hereby submitted to this Meeting for approval.

**Resolved,** THAT the above is approved by ordinary resolution (approved by 102,146,453 shares, presenting 80.45% of the shares present).

2. **Approval of the amendments to the “Rules Governing the Procedures for Meetings of Shareholders” of the Company**

**Explanation:** The amendments to the “Rules Governing the Procedures for Meetings of Shareholders” (as Exhibits E) were approved by the Board of Directors on March 14, 2012, which shall be adopted by an ordinary resolution and is hereby submitted to this meeting for approval.

**Resolved,** THAT the above is approved by ordinary resolution (approved by 102,146,453 shares, presenting 80.45% of the shares present).

3. **Approval of amendments to the Amended and Restated Memorandum and Articles of Association of the Company**

**Explanation:** The amendments to the Amended and Restated Memorandum and Articles of Association of the Company (as Exhibits F) were approved by the Board of Directors on March 14, 2012 and April 27, 2012, which shall be adopted by a special resolution as the new Memorandum and Articles of Association of the Company in substitution for and to the exclusion of all the existing Memorandum and Articles of Association of the Company. It is hereby submitted to this Meeting for approval.

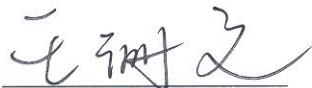
**Resolved,** THAT the above is approved by special resolution (approved by 102,146,453 shares, presenting 80.45% of the shares present).

**Other ad hoc motions:** None

**Adjournment of the Meeting:** Adjournment of this meeting at 9:58 A.M. June 14, 2012.



Shih-Chung Wang  
Chair of the Meeting



Shan-Wen Wang (Connie Wang)  
Secretary of the Meeting