

Asia Pacific Telecom Co., Ltd.

Meeting Notice for 2022 First Extraordinary Shareholders' Meeting (Summary Translation)

(This translated meeting notice is prepared in accordance with the Chinese version and is for reference only. In the event of any inconsistency between the Chinese version and English version, the Chinese version shall prevail.)

- I. The Company proposes to convene the 2022 First Extraordinary Shareholders' meeting on Friday, April 15 2022 at 9 a.m., at 2F., No. 12, Zhouzi St., Neihu Dist., Taipei City (Neihu International Meeting Room). Shareholders shall register at the meeting at 8:30 a.m. The registration place is the same as the meeting venue.

Content of the Meeting:

(I) Reports :

- i. The Audit Committee's review report of the Company for the merger between the Company and Far EasTone Telecommunications Co., Ltd.

(II) Discussions:

- i. The proposal of the merger between the Company and Far EasTone Telecommunications Co. Ltd.
- ii. The proposal of the application for the termination of listing and trading of marketable securities, cessation of public offering and dissolution of the Company.

(III) Election Matters : By-election director.

(IV) Other Matters : The proposal of release of the Board of Directors (including independent directors) from the non-compete clause.

(V) Extemporary Motions.

- II. If any of the reasons for calling the Extraordinary Shareholders' Meeting falls requires explanations pursuant to Article 172 of the Company Act, please inquire for explanations on the Market Observation Post System (MOPS) at <http://mops.twse.com.tw/>. Please select Basic Information\ E-brochures\ Annual Reports and Shareholder Information\ Input Company Code or Abbreviation and Year\ "Reference Information for Proposals at Shareholders' Meetings" or "Supplemental Information to Meeting Handbook."

- III. Three directors (including two independent directors) will be elected at the Extraordinary Shareholders' Meeting. A candidate nomination system will be adopted for the election of Director, and the roster of nominee(s) is as follows: Director: Far EasTone Telecommunications Co.,Ltd Representative: Vivian Lee ; Independent Directors: Jaclyn Tsai; Zheng-Yi, Shon. Should any investor wish to

inquire about the education and work experiences of the nominee(s), please visit the MOPS's 'Announcement Inquiry' at <http://mops.twse.com.tw>.

- IV. The release of the Company's Director from the non-compete clause discussed by the Company is pursuant to provisions provided by Article 209 of the Company Act. To be submitted to the Extraordinary shareholders' meeting for approval to release the Company's Directors from the non-compete clause.
- V. Share transfer registration will be stopped from March 17, 2022 to April 15, 2022 pursuant to Article 165 of the Company Act.
- VI. In addition to the public announcement, this written statement of the Meeting Notice is also delivered to all shareholders along with the Extraordinary shareholders' meeting sign-in card and a proxy form. Please attend the meeting if you can. If you plan to attend in person, please fill out and either seal or sign the Shareholder sign-in card of the second page. Please directly sign-in at the venue on the date of the meeting. You don't have to mail in the sign-in card. If you plan to attend via proxy, please fill out and either seal or sign the proxy form of the second page, and to deliver the proxy form to the Company's share transfer agency, the Capital Group Registrar Agency, within 5 days of the meeting. After the Registrar Agency prepares a sign-in card for your proxy, the proxy may attend the Extraordinary Shareholders' Meeting by presenting the sign-in card.
- VII. Should any shareholder solicit for the proxy card, the Company will prepare a List of Solicitor Information before March 30, 2022, and such list will be disclosed on the website of the Securities & Futures Institute. Investors can access the "Free Proxy Inquiry System" at <http://free.sfi.org.tw>.
- VIII. Capital Group Registrar Agency will be the agency for counting and verifying all proxy forms for the Extraordinary Shareholders' Meeting.
- IX. Shareholders may exercise voting rights via electronic means for this Extraordinary Shareholders' Meeting from March 31, 2022 to April 12, 2022. Please access and find all relevant information on the TDCC Stockvote 【 website at : www.stockvote.com.tw 】

To

Our Esteemed Shareholder

From The Board of Directors of Asia Pacific Telecom Co., Ltd.

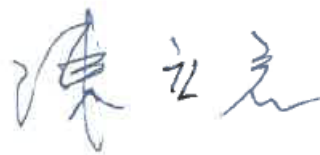
Asia Pacific Telecom Co., Ltd. Audit Committee's Review Report

The Audit Committee has reviewed the merger plan, and the fairness and reasonableness of the transaction for the merger between the Company and Far EasTone Telecommunications Co., Ltd. and considers it has been presented fairly. According to Article 6 of the Business Mergers and Acquisitions Act, we hereby submit this Report for ratifications.

To:

Asia Pacific Telecom Co., Ltd.

Board of Directors / 2022 First Extraordinary Shareholders' Meeting



Convener of the Audit Committee : Li-Chun, Chen

February 25, 2022

Attachments II

Merger Contract

This Merger Contract (“**this Contract**”) is made and entered into as of February 25, 2022 (“**Signing Date**”), by and between the following parties (“**the Covenantors**”).

I. Far EasTone Telecommunications Co., Ltd. (hereinafter referred to as “**Party A**”), a company incorporated under the laws of the Republic of China, with the tax ID number 97179430, located at 28F., No. 207, Sec. 2, Dunhua S. Rd., Da’an Dist., Taipei City.

II. Asia Pacific Telecom Co., Ltd. (hereinafter referred to as “**Party B**”), a company incorporated under the laws of the Republic of China, with the tax ID number 70771579, located at 8F., No. 32, Jihu Rd., Neihu Dist., Taipei City. (collectively, Party A and Party B shall be referred to as the “**Parties**” and hereinafter individually as a “**Party**”).

For the purpose of integrating resources and increasing competitiveness, both parties intend to carry out a merger in accordance with the Company Act, the Business Mergers and Acquisitions Act, other relevant laws and regulations, and the conditions set forth in this Contract (**the “Merger”**), and hereby agree to enter into the following terms and conditions of this Contract for mutual compliance:

Article 1 Merger Method

Party A and Party B intend to merge by "merger by absorption", with Party A being the surviving company after the merger and Party B being the dissolved company after the merger and will be dissolved due to the dissolution of the merger. The Chinese name of the surviving company after the effective date of the Merger is “遠傳電信股份有限公司” and the English name is “Far EasTone Telecommunications Co., Ltd.” The registered address of the surviving company after the merger is 28F., No. 207, Sec. 2, Dunhua S. Rd., Da’an Dist., Taipei City.

Article 2 Capital, number, and type of shares issued before merger

2.1. Capital, number, and type of shares issued by Party A before merger

2.1.1. Total of Party A as set forth in the prospectus on the date of execution is NT\$42,000,000,000 divided into 4,200,000,000 shares with a par value of NT\$10 per share, to be issued in installments; total paid-in capital is NT\$32,585,008,100 divided into 3,258,500,810 ordinary shares with a par value of NT\$10 per share.

2.1.2. As of the signing of the Contract, except for 3,258,500,810 common shares issued and outstanding, Party A has no other marketable securities of equity nature outstanding and there are no treasury shares.

2.2. Capital, number and type of shares issued by Party B before merger

2.2.1. Total of Party B as set forth in the prospectus on the date of execution is NT\$65,680,000,000 divided into 6,568,000,000 shares with a par value of NT\$10 per share, to be issued in installments; total paid-in capital is NT\$43,171,963,990 divided

into 4,317,196,399 ordinary shares (Including private placement of 1,500,000,000 shares) with a par value of NT\$10 per share.

2.2.2. As of the signing of the Contract, except for 4,317,196,399 common shares issued and outstanding, Party B has no other marketable securities of equity nature outstanding and there are no treasury shares.

Article 3 Merger Consideration

3.1. The share exchange ratio of the Merger was agreed by the parties based on the financial reports of both parties reviewed by the accountants for the third quarter of 2021 and the self-assessed financial reports of both parties for the fourth quarter of 2021, and on the basis of the opinion on the reasonableness of the Merger Consideration issued by the independent experts appointed by the parties with reference to the Company's business condition, share market price, net value per share, and other factors that may affect the Merger Consideration.

3.2. Except for the common shares of Party B held by Party A and the treasury shares of Party B (if any), which shall be eliminated together at no consideration on the base date of the Merger, Party A shall exchange 0.0934406 common shares of Party A for every 1 common share of Party B (the "**Merger Consideration**"). For the avoidance of doubt, the shares of Party A exchanged for 1,500,000,000 shares of Party B's original private placement ordinary stock shall be subject to the restrictions on transfer of private placement shares and related matters under the relevant laws and regulations, except for the ordinary shares of Party B held by Party A as a result of the private placement, which shall be eliminated at no consideration on the basis date of the merger.

3.3. If, in accordance with the Merger Consideration set forth in Article 3.2, the number of shares of ordinary shares to be issued by Party B as a result of the Merger is 3,817,196,399 after deducting the 500,000,000 shares of ordinary shares held by Party A from the 4,317,196,399 shares of ordinary shares issued by Party B as of the date of the execution of the Contract, Party A is expected to issue approximately 356,681,122 shares of ordinary shares as a result of the Merger (the "**Total Number of New Shares Expected to be Issued by the Merger**"). Approximately 93,440,600 of these shares are private placement ordinary shares with a par value of NT\$10 per share, for a total estimated new shares issuance of approximately NT\$3,566,811,220. The actual number of shares issued will be based on the total number of shares of common stock of Party B as of the base date of the Merger, less the number of shares of ordinary shares of Party B held by Party A and the number of treasury shares of Party B (if any). With the exception of the private placement of ordinary shares of Party A that are exchanged for the private placement of ordinary shares of Party B, the rights and obligations of the ordinary shares of Party A issued in connection with the Merger shall be the same as the original ordinary shares of Party A issued.

3.4. If any of the shares of Party A to be exchanged under the Merger Consideration is less than one fractional share, Party A shall pay for it in cash (up to "NT\$ dollar") on a pro-rata basis according to the issue price, and unconditionally round off the amount below NT\$ dollar, and the Chairman of Party A shall negotiate with a specific person to take up the shares at the issue price. The Board of Directors of both parties or his or her appointee shall have full discretion to change the handling of these fractional shares if it is required by applicable laws and regulations or operational needs.

Article 4 Adjustment of Merger Consideration

- 4.1. In the event of any of the following events occurring from the signing date until the base date of the Merger, the Parties shall promptly agree to adjust the Merger Consideration as set forth in Article 3.2 of this Contract, unless otherwise provided in this Contract, and shall agree upon such adjustment within 10 business days after the occurrence of each such event. The Parties shall, at the respective board of directors' and shareholders' meetings (or only Party B if Party A is not required by law to convene a shareholders' meeting to resolve the Merger), together submit a resolution to the board of directors' and shareholders' meetings authorizing the Chairmen of the Parties to agree on the adjustment of the Merger Consideration without convening a separate board of directors' and shareholders' meeting to resolve the Merger.
- 4.1.1. In the event that any of the parties engages in cash capital increase, issuance of convertible bonds, allotment of shares without consideration, issuance of bonds with warrants, preferred shares with warrants, warrants and other marketable securities with equity nature.
- 4.1.2. If either party repurchases treasury shares (other than those held by shareholders who have legally expressed disagreement with the Merger) or other events that would result in a change in the shares of that party, dilution or risk of dilution.
- 4.1.3. If either party acquires or disposes of significant assets in a manner that materially affects the Company's financial or business operations.
- 4.1.4. In the event of a major disaster, technological change or other significant adverse change in either party that affects the Company's shareholders' equity or the price of securities.
- 4.1.5. Changes in the number of entities or companies involved in the merger.
- 4.1.6. Any other adjustment of the Merger Consideration that is required by law, approved by the competent authorities, or is necessary for the smooth approval of the Merger by the competent authorities.
- 4.1.7. If either party breaches the representations and warranties in Article 8 or the undertakings in Article 9 of this Contract, and the result of such breach has a material effect on the financial or business operations of such breaching party.
- 4.1.8. For purposes of Article 4.1.3 and Article 4.1.4 of this Contract only, "material" means a single event or events of such magnitude that the net worth of either party as shown in the most recently audited or reviewed consolidated financial statements of the Accountants is, or is reasonably expected to be, increased or decreased by 5% or more in comparison to the net worth of such party as of December 31, 2021, as audited or reviewed by the accountants.
- 4.2. After the adjustment of the Merger Consideration as stipulated in Article 4 of this Contract, both parties shall apply for, report or amend the required licenses, approvals or consents to the relevant competent authorities in accordance with the law.

Article 5 Articles of Association, capitalization, number and type of shares issued by the surviving company after the merger

- 5.1. The total capital of the surviving company after the Merger is NT\$42,000,000,000 divided into 4,200,000,000 shares with a par value of NT\$10 per share, to be issued in installments; after the issuance of additional ordinary shares in accordance with Article 3.3, the total paid-in capital is tentatively set at NT\$36,151,819,320 divided into 3,615,181,932 shares.
- 5.2. There is no need to amend the Articles of Association of Party A as a result of the Merger, and the Articles of Association of Party A after the Merger shall be the same as the Articles of Association in effect on the date of the signing of the Contract between Party A and Party A.

Article 6 Merger Schedule

- 6.1. The base date of the Merger is tentatively set at September 30, 2022. The Merger shall be permitted or approved by the board of directors of both parties, the shareholders' meeting (or only Party B if Party A is not required to convene a shareholders' meeting by law) and the relevant competent authorities.
- 6.2. The Parties shall each convene a board of directors' meeting and a shareholders' meeting (if Party A is not required to convene a shareholders' meeting by law, then only Party B) by April 15, 2022 to approve the Merger and this Contract.
- 6.3. If the parties have not completed the Merger by the tentative base date mentioned in Article 6.1 because they have not obtained the approval of the National Communications Commission and the Fair Trade Commission does not prohibit the combination of sanctions, the parties shall continue to execute the Merger, but if the approval of the National Communications Commission and the Fair Trade Commission does not prohibit the combination of sanctions have not been obtained by December 31, 2022, the parties shall agree on the extension of the term and other related matters through friendly negotiations, and if no Contract is reached, either party may terminate this Contract. 6.1 However, in the event of a breach of this Contract by either party, the non-breaching party may terminate or extend by notice to the other party until March 31, 2023, and in the event of such an extension as aforesaid, the parties shall negotiate amicably for the continuation thereof.

Article 7 Prerequisites for the completion of the Merger

- 7.1. The obligation of either party to complete the Merger is subject to the condition that all of the following conditions have been fully satisfied (or waived by mutual consent) prior to the Merger Base Date.
- 7.1.1. The Merger has obtained the necessary licenses, consents or approvals from the Financial Supervisory Commission, the Taiwan Stock Exchange, the National Communication Commission, the Fair Trade Commission and other relevant authorities. If the permit, consent or approval is subject to any condition or restriction that materially affects our business or operations, we shall be able to comply with it

upon our reasonable confirmation; and

- 7.1.2. no competent authority or court shall make any order, decision or restriction that prohibits or limits the completion of the Merger.
- 7.2. In addition to the conditions set forth in Article 7.1, the obligation of Party A to complete the Merger is subject to the condition that all of the following conditions have been fully satisfied (or waived with Party A's consent) prior to the Merger Base Date:
 - 7.2.1. The Board of Directors and the Shareholders' Meeting of Party B agree to the Merger and this Contract;
 - 7.2.2. Party B has obtained prior permission, consent or approval from any third party (including, but not limited to, the exercise of certain rights by the counter-party to the contract without such permission, consent or approval) under the Contract or the Act to carry out the Merger, and has obtained such permission, consent, approval or exemption;
 - 7.2.3. After the shareholders' meeting at which Party B votes to approve this Contract and this Merger, the percentage of dissenting shares to Party B's issued and outstanding shares (including private placement shares) shall not exceed 10%;
 - 7.2.4. From the signing date to the Merger Base Date, except as disclosed by Party B in writing prior to the signing date, nothing has occurred that is materially adverse to the business, finances, assets or operations of Party B or, to the best of Party B's knowledge or that Party B should have known after reasonable investigation, the results of which could be materially adverse;
 - 7.2.5. The representations and warranties made by Party B in Article 8.2 shall remain valid and true; and
 - 7.2.6. Party B has fulfilled its obligations and commitments under this Contract and the undertakings in Article 9.2.
- 7.3. In addition to the conditions set forth in Article 7.1, the obligation of Party B to complete the Merger is subject to the condition that all of the following conditions have been fully satisfied (or waived with Party B's consent) prior to the Merger Base Date:
 - 7.3.1. The board of directors and the shareholders' meeting of Party A (if Party A is not required by law to hold a shareholders' meeting, then this shall not apply) agree to the Merger and this Contract;
 - 7.3.2. Party A has obtained prior permission, consent or approval from any third party (including, but not limited to, the exercise of certain rights by the counter-party to the contract without such permission, consent or approval) under the Contract or the Act to carry out the Merger, and has obtained such permission, consent, approval or exemption;
 - 7.3.3. From the signing date to the Merger Base Date, there has been no event that has had a material adverse effect on the business, finances, assets, or operations of Party A or,

to the best of Party A's knowledge or that Party A should have known after reasonable investigation, the outcome of which could have been materially adverse.

7.3.4. The representations and warranties made by Party A in Article 8.1 shall remain valid and true; and

7.3.5. Party B has fulfilled its obligations and commitments under this Contract and the undertakings in Article 9.1.

Article 8 Representations and Warranties

8.1. Party A declares and warrants to Party B that the following are true and correct as of the signing date and as of the Merger Base Date:

8.1.1. Legal Establishment and Continuance of the Company: Party A is a limited company established and registered under the Company Act of the Republic of China and is still in legal existence, and has obtained all necessary licenses, approvals, permits and other certificates to conduct its business. Party A has been dissolved, liquidated, filed a petition for bankruptcy, reconciliation, or reorganization on its own without a valid resolution, or has been granted dissolution, reconciliation, reorganization or declared bankruptcy by a court ruling, order or in accordance with relevant laws, or has been subject to discontinuance of business, dissolution of the Company, revocation of establishment permit or revocation of business license by a competent authority in accordance with law.

8.1.2. Registered and paid-in capital of the Company: As of the signing date, the registered and paid-up capital and issued shares of Party A are as set forth in Article 2.1 of this Contract. As of the signing date, the issued shares of Party A have been legally authorized and issued, and the payment for the shares has been received in full. Party A has not issued any other marketable securities of an equity nature and has not issued, offered, or entered into any other rights, options, warrants, convertible or exchangeable securities, rights of first refusal, pre-emption rights, or legally enforceable commitments to enable others to acquire Party A shares, and has not committed or provided any benefit participation or similar rights to enable others to obtain the same rights as shareholders of Party A ordinary shares. Party A does not have any obligation to redeem, buy back or otherwise acquire its shares.

8.1.3. Approval and permission: On or prior to the signing date, the Board of Directors of Party A has resolved to enter into this Contract and authorized the Chairman of the Board of Directors or his or her designee to enter into this Contract on behalf of the Company. Except for the resolution of the shareholders' meeting of Party A (which shall not apply if Party A is not required to convene a shareholders' meeting by law) and the permission of the relevant governmental authorities, Party A shall not be required to obtain any other authorization, approval, permission, reporting or consent for the execution and performance of this Contract.

8.1.4. Legality of this Contract: The signing and fulfillment of this Contract by Party A does not violate: (1) the provisions of any existing laws and regulations; (2) the decisions, orders or penalties of the courts or relevant authorities; (3) the Articles of Association and internal regulations of Party A; (4) any contract, Contract,

declaration, promise, guarantee, warranty, covenant or other obligation by which Party A shall be regulated by law.

8.2. Party B represents and warrants to Party A that the following are true and correct as of the signing date and as of the Merger Base Date:

8.2.1. Legal Establishment and Continuance of the Company: Party B is a limited company established and registered under the Company Act of the Republic of China and is still in legal existence, and has obtained all necessary licenses, approvals, permits and other certificates to conduct its business. Party B has been dissolved, liquidated, filed a petition for bankruptcy, reconciliation, or reorganization on its own without a valid resolution, or has been granted dissolution, reconciliation, reorganization or declared bankruptcy by a court ruling, order or in accordance with relevant laws, or has been subject to discontinuance of business, dissolution of the Company, revocation of establishment permit or revocation of business license by a competent authority in accordance with law.

8.2.2. Registered and paid-in capital of the Company: As of the signing date, the registered and paid-up capital and issued shares of Party B are as set forth in Article 2.2 of this Contract. As of the signing date, the issued shares of Party B have been legally authorized and issued, and the payment for the shares has been received in full. Party B has not issued any other marketable securities of an equity nature and has not issued, offered, or entered into any other rights, options, warrants, convertible or exchangeable securities, rights of first refusal, pre-emption rights, or legally enforceable commitments to enable others to acquire Party A shares, and has not committed or provided any benefit participation or similar rights to enable others to obtain the same rights as shareholders of Party A ordinary shares. Party B does not have any obligation to redeem, buy back or otherwise acquire its shares.

8.2.3. Approval and permission: On or prior to the signing date, the Board of Directors of Party A has resolved to enter into this Contract and authorized the Chairman of the Board of Directors or his or her designee to enter into this Contract on behalf of the Company. Except for the resolution of the shareholders' meeting of Party B and the permission of the relevant governmental authorities, Party B shall not be required to obtain any other authorization, approval, permission, reporting or consent for the execution and performance of this Contract.

8.2.4. Legality of this Contract: The signing and fulfillment of this Contract by Party B does not violate: (1) the provisions of any existing laws and regulations; (2) the decisions, orders or penalties of the courts or relevant authorities; (3) the Articles of Association and internal regulations of Party B; (4) any contract, Contract, declaration, promise, guarantee, warranty, covenant, or other obligation by which Party B shall be regulated by law.

8.2.5. Financial Statements and Financial Information: The financial statements of the Party have been prepared in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRSs), and are sufficient to present fairly the financial and operating conditions of the Party B for the period covered by the financial statements, and are free from any falsification, concealment, or misrepresentation.

- 8.2.6. Litigation and non-litigation events: Except for cases in which loss in litigation has been disclosed or estimated in Party B's financial statements or disclosed in writing by Party B prior to the date of execution of the Contract, there are no litigation, arbitration, non-litigation or administrative dispute or criminal proceedings, or written requests or claims in respect of interests that would have a material adverse effect on Party B's business, financial, property, operations or shareholders' equity, and to Party B's knowledge, there are no litigation, arbitration, non-litigation or administrative dispute or criminal proceedings, or written requests or claims in respect of interests that would have a material adverse effect on Party B's business, financial, property, operations or shareholders' equity. No litigation, arbitration, non-contentious or administrative proceedings, criminal investigation proceedings or any written claim by a third party against any of its directors or managers in connection with the performance of their duties will have a material adverse effect on the business, financial, property, operations, or shareholders' interests of Party B.
- 8.2.7. Assets and liabilities: The financial statements of Party B set forth its assets and liabilities as of the date of the financial statements, and Party B has legal title, right to use or other legal interest in all of its assets listed therein, and its use, income and disposal are not subject to any restrictions or limitations other than those disclosed in the financial statements of Party B or the notes thereto. There has been no material change in the assets and liabilities of Party B between the Base Date of the Financial Statements and the signing date of this Contract and the Base Date of the Merger that would have any material adverse effect on Party B's business or financial, operational or shareholders' equity, except for the transactions between Party B and Party A for the purposes of this Merger or those transactions that have been signed and are in progress between the parties.
- 8.2.8. Contingent liabilities: Except as expressly set forth in the financial statements of Party B or as advised by Party B, there are no contingent liabilities that would have any material adverse effect on the business, operations or finances of Party B.
- 8.2.9. Derivative commodity trading: All derivative positions (if any) held by Party B or derivative trading conducted or in progress are in compliance with relevant laws and regulations and internal control and risk control regulations, and there is no violation of laws and regulations and internal control and risk control regulations.
- 8.2.10. Related party transactions: Except for those disclosed in the financial statements of Party B, Party B has no other related party transactions, and each related party transaction is in compliance with the laws and regulations, and there is no transaction that does not conform to business practices.
- 8.2.11. Contract and Commitments: Except for those disclosed by Party B in writings before the signing date, there is no material breach of all material contracts in force by Party B.
- 8.2.12. Labor Relations: (1) Party B has provided employees with health insurance, pensions, employee benefits and other related employee benefits in accordance with the laws and regulations of the ROC; (2) Party B has no major labor disputes, no major violations of relevant labor laws or disciplinary actions by the labor

authorities, and no strikes or work stoppages against Party B; and (3) Party B's employees have formed a labor union, but Party B has not signed any group Contract.

- 8.2.13. Intellectual Property Rights: Party B is the legal owner of its intellectual property rights and there is no mortgage, pledge or other security right or any burden on such intellectual property rights. Except for the pre-existing authorization contract, Party B does not assign, license, trust or other disposition of its intellectual property rights. There is no third party claiming infringement or disagreement regarding the intellectual property rights of Party B. The computer software currently used by Party B is legally entitled to be used and does not infringe upon the rights of third parties.
- 8.2.14. Taxation: Party B has filed all taxation completely and correctly in accordance with the law, and has completed the payment in accordance with the law. There is no tax dispute between Party B and the competent authority that is in progress or of which Party B is aware that may arise.
- 8.2.15. Legal compliance: Except as disclosed in the financial statements or in the notes thereto, the business and operations of Party B comply in material respects with the relevant laws of the Republic of China and the regulations and orders issued by the competent authorities.
- 8.2.16. Statutory declarations or statements: Party B has timely filed any reports, registrations, or other documents in material respects in accordance with the relevant laws and regulations of the ROC and has paid all fees in a timely manner. All of the statutory declarations or statements made by Party B have complied with the requirements of the relevant laws and regulations in material respects, and do not contain any untrue statements or intentional concealment.
- 8.2.17. Truly complete documentation: Any documents provided to Party A for the Merger, including but not limited to disclosures, related transaction documents, financial statements or any information contained in any certificate issued by Party B, have disclosed all contracts or other documents that may have a material adverse effect on or limit the rights of Party B and are true and correct in all material respects, and are free from untruth, falsification, or concealment.
- 8.2.18. Miscellaneous: There is no other material breach of law or loss of credit by Party B that would affect the continued operation of the Company.
- 8.2.19. Disclosure of post-term events: If Party B becomes aware of any errors, omissions, or untrue or incorrect representations and warranties made by Party B pursuant to this Section as of the Base Date of the Merger, and such errors, omissions, untrue or incorrect representations or warranties are events that have a material adverse effect on Party B's operations and are sufficient to affect the assessment of Party A with respect to the Merger, Party B shall promptly notify Party A in writing and correct or update the disclosure.

9.1. Party A undertakes to comply with the following requirements from the signing date to the base date of the Merger:

9.1.1. Party A shall notify Party B immediately upon becoming aware of any breach by Party A of any representation, warranty or covenant in this Contract, or of any event sufficient to render any representation or warranty in Article 8.1 of this Contract no longer true and correct.

9.1.2. No act or omission shall be taken which could reasonably be expected to result in the failure to fulfill the conditions precedent set forth in Article 7.1 and Article 7.3 of this Contract or to render the representations and warranties in Article 8.1 of this Contract untrue or incorrect.

9.1.3. Party A shall continue its normal business, comply with the ROC laws and regulations and the orders of the competent authorities, and operate its business and maintain its business relationship with the counterparties in good faith and with the due diligence of a good manager.

9.1.4. For the purpose of the Merger, permission, consent or approval of third parties or counterparties shall be obtained in accordance with contracts or laws and regulations.

9.1.5. Party A shall expeditiously process to obtain the approval of the competent authorities for the Merger, including but not limited to the effective filing of the report of the Financial Supervisory Commission for the Merger, the application of the Taiwan Stock Exchange for the issuance of new shares, the combined filing of the Fair Trade Commission, the approval of the National Communication Commission, or the permission, consent or approval of other competent authorities.

9.1.6. Within 90 days after the signing date of the contract, the Party A and the Party B shall promptly prepare an employee placement plan.

9.2. Party B undertakes to comply with the following requirements from the signing date to the base date of the Merger:

9.2.1. Party B shall notify Party A immediately upon becoming aware of any breach by Party B of any representation, warranty or covenant in this Contract, or of any event sufficient to render any representation or warranty in Article 8.2 of this Contract no longer true and correct.

9.2.2. No act or omission shall be taken which could reasonably be expected to result in the failure to fulfill the conditions precedent set forth in Article 7.1 and Article 7.2 of this Contract or to render the representations and warranties in Article 8.2 of this Contract untrue or incorrect.

9.2.3. Party B shall continue its normal business, comply with the ROC laws and regulations and the orders of the competent authorities, and operate its business and maintain its business relationship with the counterparties in good faith and with the due diligence of a good manager. Party B also agrees to control its total liabilities not to exceed NT\$18 billion and net liabilities not to exceed NT\$8 billion. The term "**total liabilities**" in this section refers to the total liabilities in the latest reviewed or

audited financial statements prior to the date of the Merger; the term "**net liabilities**" in this section refers to short-term borrowings (including short-term notes payable) plus long-term borrowings (including maturities of one year or within one business cycle) less cash and cash equivalents in the latest reviewed or audited financial statements prior to the date of the Merger; except for the increase in liabilities for the purpose of the Merger's employee placement plan or other matters agreed by both parties.

- 9.2.4. Party B shall cooperate with Party A to obtain approval from various authorities for the Merger, including but not limited to the Financial Supervisory Commission for the effective filing of the merger issue of new shares, the combined filing of the Fair Trade Commission, the approval of the National Communication Commission, or the permission, consent, or approval of other authorities.
- 9.2.5. Party B shall obtain the approval of each of the competent authorities for the Merger, including but not limited to the approval of the National Communication Commission and the termination of listing on the Taiwan Stock Exchange.
- 9.2.6. For the purpose of the Merger, permission, consent or approval of third parties or counterparties shall be obtained in accordance with contracts or laws and regulations.
- 9.2.7. Without Party A's prior written consent, Party A shall not directly or indirectly negotiate with a third party for the following transactions: (1) All types of merger and acquisition transactions regulated by the Business Merger and Acquisition Act; (2) strategic alliances, joint ventures, investments, or cooperation in any manner with third parties in connection with telecommunications equipment/network construction (except for cooperation transactions and necessary interoperability between Party B and Chunghwa Telecom Co.); (3) entering into, modifying or terminating contracts for leasing, entrusting or co-operating with others for the entire business; (4) transferring all or a substantial part of the business or property; (5) transferring all of the business or property of another; (6) any transaction with similar effect to (1) through (5) above; the Company shall not enter into any contract, agreement, promise, letter of intent, or memorandum of understanding with any person in connection with any of the foregoing transactions or any other transaction that has a material effect on the Company's interests. If Party B receives a request from any third party to negotiate or carry out such transactions, Party B shall immediately notify Party A.
- 9.2.8. Without the written consent of Party A, no change in organizational structure, substantial increase in the number of employees, or promotion of employees' ranks shall be allowed. Except as provided in this Contract or in the employee placement plan agreed by both parties, there shall be no change in the employment contracts, labor conditions or other contractual agreements of Party B's employees as a result of the Merger; nor shall Party B's employees be entitled to claim benefits, welfare or rights other than those provided in the original contracts and labor conditions as a result of the Merger. No change of chairman or general manager shall be allowed without the written consent of Party A.
- 9.2.9. Employees' seniority in the old system shall be settled before the base date of the Merger.

- 9.2.10. Within 90 days after the signing date, the necessary information shall be provided to Party A for the parties to negotiate the organizational adjustment and employee placement plan, which shall take place before the base date of the Merger.
- 9.2.11. Except for general consumer complaints or cases where the amount in dispute does not exceed NT\$100,000, Party A shall be notified immediately upon receipt of any litigation, arbitration, non-litigation matter, administrative investigation or any request or proceeding in dispute, or upon becoming aware of the possibility of such request or proceeding.
- 9.2.12. Within 90 days after the signing date, a board of directors' meeting shall be held to discuss and formulate an operational performance optimization plan, and the plan shall be implemented as soon as possible after the board of directors' meeting resolves, to enhance the shareholders' equity of Party B. To the extent permitted by law, Party B may make reference to Party A's proposal to develop an operational performance optimization plan.
- 9.3. Party B undertakes not to do any of the following acts from the signing date to the base date of the Merger, unless otherwise agreed in this Contract or with the prior written consent of Party A:
- 9.3.1. Except for the acquisition of shares of a dissenting shareholder in accordance with Article 12 of the Business Mergers and Acquisitions Act, the total paid-in capital as set forth in Article 2.2 shall be changed in any manner.
- 9.3.2. Acquire or dispose of (including but not limited to the establishment of security interests) any assets that are not included in the annual budget or plan.
- 9.3.3. Amend the Articles of Association.
- 9.3.4. To settle or enter into a settlement contract in response to a lawsuit, administrative dispute or remedial proceeding (including arbitration and mediation with the same effect as a final judgment) brought by a third party, or in response to an ongoing lawsuit, administrative dispute or remedial proceeding (including arbitration and mediation with the same effect as a final judgment); except for legal proceedings in response to a lawsuit, administrative dispute or remedial proceeding (including arbitration and mediation with the same effect as a final judgment) brought by a third party, or in response to a dispute with a consumer where the amount of each case does not reach NT\$30,000.
- 9.3.5. Exclusively license, assign, create, dispose of, or similarly act with respect to any intangible asset (e.g., intellectual property rights).
- 9.3.6. Enter into or undertake to enter into related party transactions other than those arising from ordinary operating activities and consistent with past operating practices.
- 9.3.7. Sign or commit to sign a contract with a term of more than one year or a transaction amount of NT\$100 million or more.
- 9.3.8. Lend funds to others or endorse guarantees.

9.3.9. Engage in derivative transactions.

9.3.10. Other actions that materially affect financial, business or operations.

9.4. Any release, disclosure, or announcement by either party of any information related to this Contract or the Merger shall be made only after the other party has previously confirmed the contents of such information with the other party.

Article 10 Labor Item

The retention and rights of Party B's employees in the Merger shall be handled in accordance with the Business Merger and Acquisition Act and relevant Labor Acts in protecting the legal rights and interests of employees.

Article 11 Disposal of Disputed Shares

11.1. If any shareholder disagrees with the Merger and the resolution to sign this contract in accordance with the relevant provisions of the Business Merger and Acquisition Act and requests to buy back its shares, such party shall buy back the shares held by the disagreeing shareholder in accordance with the provisions of the Business Merger and Acquisition Act and the Company Act.

11.2. The repurchase of shares by both parties in accordance with the preceding paragraph shall be governed by Article 13 of the Business Mergers and Acquisitions Act.

11.3. If any shareholder of Party B exercises the right to disagree with the purchase request, Party B shall immediately notify Party A and keep Party A informed of the status of the negotiation between Party A and the disagreeing shareholder. Without the written consent of Party A, Party B shall not accept the Shareholder's request for the purchase price, propose any purchase price, make any payment in connection therewith, or enter into any covenant or settlement in the court proceedings for the determination of the price. However, Party B shall pay the fair price mutually agreed by Party A and Party B in accordance with Article 12, Paragraph 6 of the Business Mergers and Acquisitions Act, except for this limitation.

Article 12 Notice and announcement of creditors

12.1. Within 10 days after the shareholders' meeting of each party (if Party A is not required to hold a shareholders' meeting by law, Party B's shareholders' meeting shall prevail), Party A and Party B shall notify and announce the Merger to its creditors separately and specify a period of at least 30 days for each creditor to raise objections within the period.

12.2. If any creditor objects within the above-mentioned period, the parties shall deal with the matter in accordance with the relevant laws and regulations. Party B shall obtain Party A's consent before dealing with any objection from creditors.

Article 13 Changes in the number of companies involved in mergers

If, prior to the Base Date of the Merger, the parties agree that other companies shall join the Merger, then the procedures and acts that have been completed in accordance with the laws of

the Republic of China shall be repeated by all companies that intend to participate in the Merger, and all participating entities shall jointly enter into a new Merger Agreement in connection with the Merger.

Article 14 Rights and obligations after the Merger

As of the base date of the Merger, all assets, liabilities and all rights and obligations of Party B shall be assumed by Party A in general.

Article 15 Taxes and Fees

All taxes and fees (including but not limited to attorney, accountant, and other consultant fees) incurred in connection with the signing or performance of this contract shall be borne by each party. However, in the event that this contract is terminated due to a breach of contract, the former taxes and fees shall be borne by the party to whom they are attributable.

Article 16 Breach of contract

16.1. If Party B breaches any of its representations, warranties or undertakings in this Contract, or if this Contract is terminated or discharged for any reason attributable to Party B, Party B shall indemnify Party A against all losses, damages and expenses suffered by Party A as a result thereof, including interest, late interest, liquidated damages and reasonable legal fees ("Losses"), and shall use its best endeavours to hold Party A harmless from further losses.

16.2. If Party A breaches any of its representations, warranties or undertakings in this Contract, or if this Contract is terminated or discharged for any reason attributable to Party A, Party A shall indemnify Party B against any loss suffered by Party B as a result thereof and shall use its best endeavours to hold Party B harmless from further loss.

16.3. If the material breach by the defaulting Party causes the non-defaulting Party to terminate or rescind this Contract in accordance with Article 17.1.3 hereof, the non-defaulting Party may request the defaulting Party to pay punitive damages of NT\$2,600,000,000 (including damages and costs incurred in connection with the preparation of this Contract and the performance of the transactions contemplated hereby).

16.4. Notwithstanding anything to the contrary in this Contract, neither party shall be liable to the other for indirect losses (including, but not limited to, lost revenue, lost business opportunities and estimated benefits).

Article 17 Termination of Contract

17.1. Prior to the base date of the Merger, this Contract shall be terminated or canceled for the following reasons:

17.1.1. The parties agree in writing to terminate or cancel this contract;

17.1.2. Termination of this Contract by either party without default in accordance with Article 6.3.

- 17.1.3.If either party fails to perform or breaches any of its obligations, undertakings or representations and warranties under this Contract, and if the breach is of a nature that cannot be corrected, or if the breach can be corrected but is not corrected or is incomplete within 30 days after receipt of written notice from the other party, the party not in breach may terminate or cancel this Contract by written notice to the other party; or
- 17.1.4.Either party shall have the right to terminate or rescind this Contract by written notice to the other party upon an order, ruling, judgment or any other legal action taken by a court or governmental authority to restrain, suspend or prohibit this Merger.
- 17.2. Termination or cancellation of this Contract shall not affect the obligations of the parties (including, but not limited to, liability for damages and liquidated damages) incurred prior to such termination or cancellation.
- 17.3.The provisions of Article 18 of this Contract shall survive the termination or cancellation of this Contract for a period of three years.

Article 18 Obligation of Confidentiality

- 18.1. Except as otherwise provided by law or as otherwise provided in this Contract, the parties agree that documents, data, files, objects, plans, trade secrets and other information marked as confidential or proprietary ("**Confidential Information**") obtained from other parties for the purposes of the Merger shall be kept confidential. No other party receiving confidential information ("**Recipient**") shall distribute, divulge, or disclose any confidential information to any third party in any manner or form without the prior written consent of the party providing the confidential information ("**Provider**"). The aforesaid confidentiality obligations shall not apply in the following cases:
- 18.1.1.The Recipient shall certify that the Confidential Information is publicly known or, subject to this Contract, is publicly available.
- 18.1.2.The Recipient shall certify that it has knowledge of the Confidential Information prior to the provision of the Confidential Information by the Provider.
- 18.1.3.The Recipient shall prove that the Confidential Information was obtained from a third party without any obligation of confidentiality.
- 18.1.4.The Recipient shall certify that the Confidential Information is developed by the Recipient.
- 18.2. If the Recipient is required by law or by order of a court or government agency to disclose confidential information, the Recipient shall, to the extent permitted by law, immediately notify the Provider in writing when disclosure is legally required or upon receipt of such order, and assist the Provider in taking reasonable protective measures and disclose the relevant confidential information to the minimum extent possible.

- 18.3. The collection, use or processing of personal information by either party and its authorized personnel in connection with the merger shall comply with the provisions of the Personal Data Protection Act.

Article 19 Other contractual matters

- 19.1. The interpretation, validity and performance of this Contract shall be governed by the laws of the R.O.C. Any matters not covered by this Contract shall be governed by the relevant laws and regulations.
- 19.2. The parties agree that all disputes arising out of or relating to this Contract shall first be resolved by amicable negotiation, and if such negotiation fails, the parties agree that the Taipei District Court of Taiwan shall be the court of first instance for the relevant disputes.
- 19.3. The failure or delay of a party to exercise any right, authority or remedy shall not preclude that party from exercising such right, authority, or remedy in the future. Any right, authority, and remedy of either party under this Contract shall survive unless such party expressly waives such right, authority and remedy in writing.
- 19.4. The invalidity, illegality, or unenforceability of any provision of this Contract by a court decision shall not affect the validity of any other provisions of this Contract.
- 19.5. If any of the terms and conditions of this Contract are changed in accordance with the instructions of the relevant competent authorities or laws, or if there is a need to amend them due to actual needs, the relevant terms and conditions shall be amended and changed in writing by mutual consent.
- 19.6. Neither party shall assign all or any part of its rights under this Contract to any third party or have any third party assume all or any part of its obligations under this Contract without the prior written consent of the other party.
- 19.7. Notices in connection with this Contract shall be effective upon delivery in writing to the other party by e-mail, registered mail, or personal delivery to the address below or to the designated e-mail address and recipient. In the event of undeliverability, delivery shall be deemed to occur at the time of first postal delivery (if sent by electronic mail, to the extent that it is simultaneously sent in writing). If the address, e-mail or addressee set forth in this Section changes, the party making the change shall immediately notify the other party in writing of the change and shall not use the change against the other party.

Party A:

4F., No.468, Ruiguang Rd., Neihu Dist., Taipei City 114063, Taiwan (R.O.C.)

Recipient: Vivian Lee Senior Vice President

Email: vivianlee@fareastone.com.tw

Party B:

8F., No.32, Jihu Rd., Neihu Dist., Taipei City 11492, Taiwan (R.O.C.)

Recipient: Tim Liu Vice President

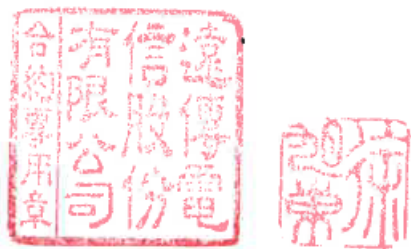
Email: tim.ls.liu@aptg.com.tw

- 19.8. This Contract constitutes the entire agreement between the parties with respect to the matters set forth herein and supersedes any prior agreements, contracts or undertakings, whether oral or written, between the parties with respect to the Merger.
- 19.9. The original of this Contract is in duplicate, and each of the two parties shall execute the second copy as the evidence.

(Blank below)

Contracting parties:

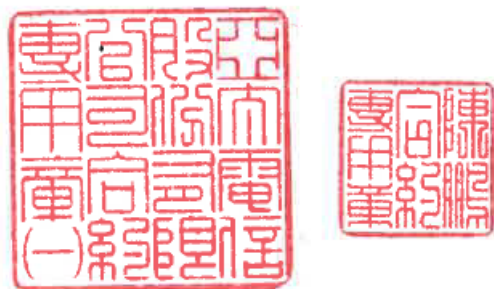
Party A



Far EasTone Telecommunications Co., Ltd.

Representative : Hsu-Tung, Hsu

Party B



Asia Pacific Telecom Co., Ltd.

Representative : Peng, Chen

Asia Pacific Telecom Co., Ltd.
And Far EasTone Telecommunications Co., Ltd.
Independent Expert Opinion on the Reasonableness of the Exchange Ratio of the Stock
Swap

I. Appointment Details

We are appointed by Asia Pacific Telecom Co., Ltd. (stock code 3682, hereinafter referred to as "Asia Pacific") to merge Asia Pacific with Far EasTone Telecommunications Co., Ltd. (stock code 4904, hereinafter referred to as "Far EasTone") by way of absorption merger in purpose of consolidating resources and enhancing competitiveness. Asia Pacific is the dissolved company and Far EasTone is the surviving company. It is proposed that Far EasTone will acquire 100% of the outstanding ordinary shares of Asia Pacific through a share swap under the Business Merger and Acquisition Act. The opinion on the reasonableness of the exchange ratio for the share swap is issued as a reference for the determination of the exchange ratio for the share swap, and the results of the evaluation are described below:

II. Basic information of the merged companies

(I) Asia Pacific Telecom Co., Ltd. was established in May 2000 in Taiwan, R.O.C. Its main business includes fixed-line and mobile communications. Its shares were officially listed on Taipei Exchange in December 2011, and then transferred to the Taiwan Stock Exchange in August 2013. The audited financial statements of Asia Pacific for the last two years (2019 and 2020) and the latest 2021 unaudited financial statements of Asia Pacific are summarized below:

1. Consolidated Balance Sheet

Unit: In Thousands of New Taiwan Dollars

Item \ Year	2019	2020	2021
Total Assets	45,750,957	39,676,647	45,658,596
Total Liabilities	9,995,064	9,936,675	16,275,481
Total equity attributable to owners of the parent company	35,567,501	29,739,972	29,383,115
Total Equity	35,755,893	29,739,972	29,383,115
Share capital at the end of the period	38,171,964	38,171,964	43,171,964
Net value per share - Attributable to owners of the parent company (NT\$)	9.32	7.79	6.81

2. Consolidated Statement of Comprehensive Income

Unit: In Thousands of New Taiwan Dollars

Item \ Year	2019	2020	2021
Operating Revenue	14,246,066	13,587,443	12,646,665
Gross operating profit (loss)	570,794	(314,127)	2,782
Operating loss	(5,169,652)	(5,494,305)	(4,992,433)
Net loss for the period - attributable to owners of the parent company	(5,200,072)	(5,828,401)	(5,374,141)
Loss per share - attributable to owners of the parent company (NT\$)	(1.78)	(1.53)	(1.35)

(II) Far EasTone was established in Taiwan on April 11, 1997 and is mainly engaged in the business of mobile phones, Internet services, voice resale services and sales of cell phones and accessories. On December 10, 2001, its shares were officially listed on the Taipei Exchange and since August 24, 2005, it has been listed on the Taiwan Stock Exchange. The audited financial statements of Far EasTone for the last two years (2019 and 2020) and the latest 2021 unaudited financial statements of Far EasTone are summarized below:

Consolidated Balance Sheet

1. Consolidated Balance Sheet

Unit: In Thousands of New Taiwan Dollars

Item \ Year	2019	2020	2021
Total Assets	134,162,936	173,429,320	175,543,581
Total Liabilities	63,556,516	105,182,111	109,442,801
Total equity attributable to owners of the parent company	69,763,955	67,313,694	65,135,716
Total Equity	70,606,420	68,247,209	66,100,780
Share capital at the end of the period	32,585,008	32,585,008	32,585,008
Net value per share - Attributable to owners of the parent company (NT\$)	21.41	20.66	19.99

2. Consolidated Statement of Comprehensive Income

Unit: In Thousands of New Taiwan Dollars.

Item \ Year	2019	2020	2021
Operating Revenue	83,865,872	79,500,965	85,320,008
Gross operating profit	26,756,524	25,933,863	25,438,004
Net operating profit	11,925,478	11,037,699	10,361,121
Net income for the period - attributable to owners of the parent company	8,734,984	8,354,128	9,123,795
Earning per share - attributable to owners of the parent company (NT\$)	2.68	2.56	2.80

III. Evaluation Method

In general, the evaluation method of equity investment value is based on a suitable financial model selected according to the circumstances of each case. Currently, there are three methods that are widely used: The “**asset-based approach**”, the “**market-based approach**” and the “**income approach**”, of which the “**income approach**” is represented by the “**discounted cash flow approach**”, are briefly described as follows:

- (I) **Asset-based approach:** For instance, the **net ratio per share method** is to measure the value of the company by the figures on the company's balance sheet; or the **cost method** is to use the net worth on the Company's balance sheet as the basis for valuation and re-evaluate the fair value of the Company's assets and liabilities, and the value of the Company is determined by subtracting both. The **asset-based approach** does not take into account the Company's future profitability or the economic cycle, and is more appropriate for companies whose primary focus is on asset value or for newly established companies or companies in traditional industries.
- (II) **Market-based approach:**
1. The **market price method** is used to estimate the reasonable value of a listed company from its price in the centralized trading market; the **comparable company method** is used to derive a reference value from the market multiplier of a similar company and the financial condition of the evaluated company, and then adjust the discount or premium according to the characteristics of the evaluated company to derive the value of the company. This method uses information on public market-related companies with similar market and product portfolios, profitability and size, along with specific parameters such as past net worth, future revenue or a multiple of after-tax earnings, to evaluate the evaluated company. The calculation method currently used by **comparable companies** is: The “**price-to-earning ratio method**” and the “**price-book ratio method**”. The former is suitable for companies with stable risk levels, dividend policies and growth rates; the latter is more suitable for companies in industries with large fluctuations in profitability.
 2. The **comparable transaction method** refers to the transaction prices of identical or similar assets, the value multipliers implied by those prices, and relevant transaction information to determine the value of the subject.
- (III) **Discounted cash flow method:** The Company's net cash flows are discounted using a discount rate that takes into account the investment risk and the time value of money; that is, the Company's free cash flows in future periods are discounted to their present value, which is the Company's value. This method is applicable to enterprises with stable or growing profits in general.

IV. Evaluation Method Selection

All of the above methods have their advantages and disadvantages. In practice, the “discounted cash flow method” is not easy to estimate the profit and loss in the coming years, and the risk of uncertainty is relatively high, and the future cash flow and discount rate are subjective estimates; In addition, since Asia Pacific's operating conditions have been unsatisfactory over the years and its earnings per share have been negative, Asia Pacific does not intend to use the “**market-based approach**” of the “price-to-earning ratio method” for the valuation; In addition, Asia Pacific's share price under the market mechanism in the past few years is quite different from that of the three major peers, so to avoid any bias, the “price-book ratio method” of the “**market-based approach**” is also not used for valuation.

In general, the share exchange ratio is determined by both parties to the strategic alliance using a mutually acceptable evaluation basis to determine the possible share exchange ratio, taking into

account the current operating conditions and future development conditions of each company, as well as other key factors.

Therefore, the following analysis adopts the "Market Price Method" and "Comparable Transaction method" of the "**market-based approach**" and the "Net Ratio Per Share Method" of the "**asset-based approach**", with reference to the other key factors mentioned above, as the basis for this comprehensive assessment of the reasonableness of the share exchange ratio.

V. Evaluation Description

(I) Market value method (liquidity without control)

Since both Asia Pacific and Far EasTone are listed companies and have objective public market prices for reference, this opinion uses the recent public market prices of the two companies and the average closing prices of the 10, 20 and 30 business days prior to and including February 22, 2022 as the base date for evaluation. The average closing prices and share exchange ratio for each sampling period are listed below

Unit: New Taiwan Dollars

Company	Average closing price for the previous 10 business days (Note)		Average closing price for the previous 20 business days (Note)		Average closing price for the previous 30 business days (Note)		Share exchange ratio range
	Share Price	Share Exchange Ratio	Share Price	Share Exchange Ratio	Share Price	Share Exchange Ratio	
Far EasTone	67.57	1.00000	66.26	1.00000	65.55	1.00000	1.00000
Asia Pacific Telecom	8.09	0.11973	8.07	0.12179	8.14	0.12418	0.11973~0.12418

Source: Taiwan Stock Exchange (2022/01/03~2022/2/22) Closing Price Information

Note: The average closing price is calculated as a simple arithmetic average.

(II) Comparable Trading Method

For reference, in the recent merger and share swap transaction between Taiwan Star Telecom (stock code 3157) and Taiwan Mobile (stock code 3045), with Taiwan Star Telecom as the dissolved company and Taiwan Mobile as the surviving company (this transaction is the same case as this one), the share swap ratio between the two companies is as follows:

Item	Taiwan Mobile	Taiwan Star Telecom
Consolidated Share Exchange Ratio	1.00000	0.04508

Merger Share Exchange Ratio The share exchange ratio between Far EasTone and Asia Pacific is 1.00000:0.04508.

(III) Net ratio per share method

The theoretical share exchange ratios were calculated based on the net worth per share

calculated based on the financial data including the equity attributable to the owners of the parent company and the number of shares of common stock most recently outstanding in the 2021 financial statements of Asia Pacific and Far EasTone as follows:

Unit: New Taiwan Dollars

Item	Far EasTone	Asia Pacific Telecom
Net value per share in 2021	19.99	6.81
Theoretical Share Exchange Ratio	1.00000	0.34067

VI. Comprehensive Evaluation

The above **V. Evaluation Description** illustrates the reference range for the calculation of the share exchange ratio and the consideration of other key factors for each evaluation model as follows:

Based on the results of the above three evaluation models, since both Asia Pacific and Far EasTone are listed companies and have objective open market trading prices for reference, the market price method was used as the main basis to give higher weighting, the comparable transaction method was given appropriate weighting because it is a recent case of share exchange ratio transaction in the telecom industry, and the net ratio per share method was excluded because it has less reference value. Therefore, the final calculation of the reference range of the share exchange ratio is as follows:

Evaluation Model	Share exchange ratio range		Weighting	Calculated conversion ratio reference range	
	Far EasTone	Asia Pacific Telecom		Far EasTone	Asia Pacific Telecom
Market price method	1.00000	0.11973~0.12418	64%	1.00000	0.09286~0.09570
Comparable Trading Method	1.00000	0.04508	36%		
Net ratio per share method	1.00000	0.34067	-		

VII. Evaluation Conclusion

In summary, based on the quantifiable figures and objective market information of both companies, we have carefully considered the **market price method** and the **comparable transaction method** as the basis for valuation, and the key factors for measuring the value of both companies, such as the current operating conditions and future development conditions of both companies, and concluded that it is reasonable to exchange 1 share of ordinary shares of Asia Pacific Telecom for **0.09286~0.09570** shares of newly issued ordinary shares of Far EasTone. The calculation of the share exchange ratio is based on a range of 0.09286 to 0.09570 shares of Far EasTone's common stock, which is a fair and reasonable reference for determining the share exchange ratio (the actual share exchange ratio is subject to the approval of the board of directors).

VIII. Restrictions on Use and Disclaimer of this Opinion

- (I) This opinion is for your internal use only or for the filing of documents required by the relevant laws and regulations, and should not be provided to third parties or used for any other purpose without the consent of the firm.
- (II) The conclusion of this opinion is based on the relevant laws and regulations currently in effect in Taiwan; the firm shall not issue an updated opinion on changes, amendments or repeals of the relevant laws and regulations after the completion of this opinion, and shall not be responsible for any discrepancies from the original opinion due to such changes unless instructed to do so.
- (III) This opinion is based on the financial statements and other related information provided by the parties as of the valuation date, and we have not performed any independent verification or review of the above information and therefore we cannot express any opinion on the accuracy and feasibility of such information.

Sun Rising Certified Public Accountants

Accountant

February 22, 2022

陳其忠



Independent Expert's Statement

The accountant published the evaluation opinions based on the " Regulations Governing the Acquisition and Disposal of Assets by Public Companies". The accountant also referenced the related Republic of China Appraisal Standards or the self-regulation guidelines of professional associations. We hereby issue an opinion on the reasonableness of the share exchange ratio of the share exchange between APT and Far EasTone Telecommunications Co.

- I. The opinions issued and the information sources, parameters and information used in the execution of the operating procedures are complete, correct and reasonable, and are used as the basis for issuing this opinion.
- II. Before undertaking the case, I have confirmed compliance with the qualifications listed in Paragraph 1, Article 5 of the Standards for Public Offering Companies to Acquire or Dispose of Assets, and my professional capabilities and practical experience have been assessed according to Item 1, Paragraph 2 of the same article.
- III. When executing the case, I have appropriately planned and executed a suitable operating procedure and have formed a conclusion to issue the opinions. The operating procedures, collected information and conclusion have been included in the working draft of the case in detail.
- IV. There are no relationships between the accountant, trade parties of the case, and the professional appraiser that published the appraisal opinions as listed in Items 2 and 3, Paragraph 1, Article 5 of the Standards for Public Offering Companies to Acquire or Dispose of Assets, and the non-existence of the following matters is hereby declared:
 - (I) I or my spouse is currently employed by the trade party of the case and is paid a fixed salary or acting as a director or supervisor.
 - (II) I or my spouse has acted as a director, supervisor, manager, or held a position of importance related to the case of the trade party, and was dismissed or resigned within 2 years.
 - (III) The unit where I or my spouse is currently employed is related to the trade party of the case.
 - (IV) Whether the accountant is related as a spouse or family member within two degrees of kinship to the directors, supervisors, managers, or persons with positions that have a significant influence on the audit case of the parties of the trade.
 - (V) I or my spouse has major investment or financial interests in the trade party of the case.

Independent Expert:



Date of issuance of the Statement: February 22, 2022

Biography of Independent Expert

Evaluator: Tzu-Chien, Chen

Date of Birth: February 21, 1964

ID No.: Q121321615

Practicing Certificate No. Taipei Certified Public Accounts. No. 1308

Education and Experience: Department of Accounting, Private Tunghai University

Associate, Audit Services, PricewaterhouseCoopers Taiwan

Senior Manager, Audit Services, PricewaterhouseCoopers China

Current position: CPA, Sun Rising Certified Public Accountants

Accomplished cases:

1. Hotai Motor Co., Ltd. (Price Opinion on Marketable Securities)
2. Foxlink Group (Price Opinion on Marketable Securities)
3. Universal Cement Corporation (Price Opinion Marketable Securities)
4. Taroko Group (Price Opinion on Treasury Stock)
5. Uni-President Group (Price Opinion on Marketable Securities)
6. President Chain Store Corporation (Price Opinion on Marketable Securities)
7. Yuanta Group (Price Opinion on Related Party Service)
8. Well Shin Technology Co., Ltd. (TP Transfer Pricing Report)
9. Mos Burger (Internal Control and Internal Audit System Design)
10. UPC Group (Price Opinion on Private Placement Marketable Securities)
11. Uniflex Technology Inc. (Price Opinion on Marketable Securities)
12. Pan-International Industrial Corporation (Price Opinion on Subscription of Private Placement Marketable Securities)
13. Amita Technologies Inc. (Price Opinion on Publicly-Acquired Shares)
14. Genomics Group (Price Opinion on Marketable Securities)
15. Brilliant (Price Opinion of Asset and Business Transfer)
16. Chip Hope Co., Ltd. (Price Opinion on Marketable Securities)
17. Taiwan Taxi (Price Opinion on Real Estate)
18. Digital United (Price Opinion on Real Estate)
19. Far Eastern New Century (Price Opinion on Marketable Securities)
20. Oriental Union Chemical Corporation (Price Opinion on Private Placement Marketable Securities)
21. Jay-Tai International Co., Ltd. (Price Opinion on Marketable Securities)
22. Ecove (Price Opinion on Marketable Securities)
23. Asia Pacific Telecom (Price Opinion on Specific Asset Groups)
24. Danen Technology Corporation (Price Opinion on Real Estate)
25. Winking Entertainment Corporation (Price Opinion on Right-of-use Asset)