

Meeting Notice

1. The Company is scheduled to hold its 2016 annual meeting of shareholders at No. 159, Sec. 3, Danjin Rd., Tamsui Dist., New Taipei City, on June 23, 2016, 9:00 AM, for the following matters for which the meeting is convened: (1) Discussion: i. Proposal of Amendment to “Articles of Incorporation” for resolution; (2) Report items: i. Facts about allocation of remuneration to employees and remuneration to directors and supervisors in Fiscal Year 2015; ii. Business report of Fiscal Year 2015 and operating prospect of Fiscal Year 2016; iii. Supervisor’s review of 2015 financial statements; iv. Implementation of repurchase of the Company’s shares; (3) Ratification items: i. 2015 financial statements proposed for ratification; ii. 2015 earnings distribution proposed for ratification; (4) Discussion: ii. The proposal to use the capital reserve to distribute cash dividend is being posed for resolution; iii. The proposal to amend the “Operational Procedures for Loaning Funds to Others” is being posed for resolution; iv. Proposal of release of the prohibition on directors from participation in competitive business is being posed for resolution; and (5) Ad Hoc motions.
2. The Company’s earnings distribution proposal with major contents: NT\$569,218,425 of cash dividends will be distributed to shareholders and it is estimated that NT\$1.1 per share will be distributed. After this proposal is resolved by the annual meeting of shareholders, the board of directors is authorized to determine the distribution record date and the payment date. If the number of outstanding shares subsequently increases or decreases, resulting in change in the dividend payout ratio to shareholders, the board of directors is authorized to change relevant matters.
3. To use capital reserve to distribute cash dividend: It is proposed that the Company would take its capital reserve with premium on issuance of the share certificates, in the amount of NT\$206,988,518, to distribute cash dividend *pro rata* to the original shareholding to distribute NT\$0.4 per share as anticipated. After the proposal is officially resolved by the annual meeting of shareholders, the board of directors is authorized with full powers to fix the date for cash dividend distribution and the payment date. In case of a change in the ratio of cash dividend as a result of increase/decrease of the outstanding shares, the board of directors is authorized with full powers to take charge of the change as necessary.
4. Directors to be released from the prohibition from participation in competitive business in accordance with Article 209 of the Company Act: The statutory representative Shen Shih-Jung of Kinpo Electronics, Inc.; Wei Chi-Lin; Hsieh Chi-Chia (please refer to the Meeting Handbook for the concurrent duties served by the above-listed directors.)
5. One copy of attendance notice and one copy of proxy statement are attached. If you as a

shareholder decide to attend the meeting in person, please affix signature or seal on the “attendance notice” (return mail is not required), and bring it with you to the place of meeting for reporting to attendance at the meeting date; if you appoint a proxy to attend the meeting, please affix your signature or seal on the “proxy statement” and fill out name and address of the appointed proxy in person, and then deliver it to the stock agency of the Company - CTBC Bank, Transfer Agency Dept. no later than five days prior to the meeting date, for the issue of attendance card to the appointed proxy based thereon.

6. If any shareholder desires to solicit proxies, the Company will provide solicitation and solicitors information on the website of the Securities and Futures Institution on May 23, 2016. If a shareholder has inquiries, please visit <http://free.sfi.org.tw>, and go to “free inquiry system for publicized relevant proxy information”, click on “enter the inquiry for publicized proxy and meeting information”, and then input the query.
7. The voting rights may be exercised in electronic manner for this meeting of shareholders. The period of voting is: from May 24, 2016 to June 20, 2016. Please log on the “electronic voting platform for meeting of shareholders” of Taiwan Depository & Clearing Corporation, “<https://www.stockvote.com.tw>”, directly and operate according to the relevant explanations.
8. The proxy verification institution for this meeting of shareholders is “CTBC Bank, Transfer Agency Dept.”
9. Thank you for your attention.

To: Your Esteemed Shareholder

Sincerely yours,

The Board of Directors of AcBel Polytech Inc.