

Chieftek Precision Co., LTD.

2017 Annual Shareholders' Meeting Minutes

Meeting time : 9:00 a.m., June 22, 2017

Place : 2F.-1, No.26, Nanke 3rd Rd., Xinshi Dist., Tainan City 744, Taiwan, R.O.C.
(Southern Science Park Industries)

Present: Total outstanding cpc shares is 59,045,489 shares and shares held by shareholders present in person or by proxy is 40,123,817 shares, and the percentage is 67.95%. The aggregate shareholding of shareholders present in person or by proxy constitute a quorum.

Chairman: Ms. Li Fen Chen, the Chairperson of the Board of Directors

Guest: Director Ming Che Hsu, Director Sheng Fang Zheng, Director Pi Hsia Wang Chen, Director An Li, Independent Director Nai Chang Wei, Independent Director Chung Jen Wu, Supervisor His Hui Kuang, Supervisor Mei Li, Supervisor Hsu Wen Tseng, Accountant Tzu Yu Lin, Lawyer Shian Tsz Tseng.

A. Chairman's Address (omitted)

B. Report Items

- I. To Report the Business of 2016. (see Attachment I)
- II. Supervisors' Review Report on the 2016 Financial Statements. (see Attachment II)
- III. To Report 2016 Employees' Profit Sharing Bonus and Directors and Supervisors' Compensation. (see Attachment III)
- IV. To Report the Treasury Stock of Buyback.
- V. To Report the 2016 Endorsement and Guarantee.

C. Proposed Resolutions

- I. To accept 2016 Business Report and Financial Statements.

(Proposed by the Board of Directors)

Explanatory Notes:

- (1) The Company's Financial Statements, including the balance sheet, the statement of comprehensive income, the statement of changes inequity, and statement of cash flows, were audited by independent auditors, Ms. Tzu-Yu, Lin and Mr. Tzu-Meng, Liu of PricewaterhouseCoopers(PwC), Taiwan. Also, Business Report and Financial Statements have been approved by the Board of Directors and examined by the supervisors of the Company.

(2) The 2016 Business Report could be referred to Attachment I, independent auditors' audit report, and Financial Statements by PWC could be referred to Attachment IV.

Resolution: Chairperson ask for every present shareholders' opinion and there is no objection. RESOLCED, that the above proposal be and hereby was approved as proposed.

II. To Approve the Proposal for Distribution of 2016 Profit.

(Proposed by the Board of Directors)

Explanatory Notes:

- (1) The 2016 profit distribution program of the Company has been submitted by Board on March 23, 2017, in accordance with Company Act and the Articles of Incorporation of the Company.
- (2) The Company plans to distribute cash dividends of NT\$59,045,489 to shareholders and according to the actual flow of the number of shares outstanding to calculate per share allotment of about NT \$1.0, please refer to the Handbook for the 2017 Annual Shareholders' Meeting for the 2016 Profit distribution.
- (3) Actual placement and number of shares will depend on the number of registered shareholders on the ex-rights date. The cash dividend distribution will be calculated to the nearest NT dollar. After the above mentioned method were approved by regular shareholders' meeting. The ex-dividend date will be decided by the Board of Directors meeting after approval by the competent authority. Allotment of fractional shares (less than one share) shall be paid in cash, and the Chairman or his designated representative may subscribe at par value. Actual placement and number of shares will depend on the number of registered shareholders on the ex-rights date.
- (4) Before ex- right date if buying back shares the transfer of treasury shares of the Company, cancellation or other reasons prior to the date of ex-right affect the number of shares of the outstanding shareholders and change the allotment rate, company will submitted to the shareholder's meeting and the Board is authorized to make such adjustments.

Resolution: Chairperson ask for every present shareholders' opinion and there is no objection. RESOLCED, that the above proposal be and hereby was approved as proposed.

D. Discussion and Election Items

I. To Amend the Articles of Incorporation.

(Proposed by the Board of Directors)

Explanatory Notes:

- (1) Amendment in accordance with Article 192-1 of the Company Act, the letter issued by the Financial Supervisory Commission, with the issue number #1060000381 on January 18, 2017, and the letter issued by the Taipei Exchange, with the issue number #1060001575 on January 24, 2017, the company plans to amend certain provisions in the Articles of Incorporation.
- (2) Please refer to Attachment VI for the comparison tables of the articles to be amended.

Resolution: Chairperson ask for every present shareholders' opinion and there is no objection. RESOLCED, that the above proposal be and hereby was approved as proposed.

II. To Amend the Procedures for Acquisition and Disposal of Assets.

(Proposed by the Board of Directors)

Explanatory Notes:

- (1) To meet the recent amendment made to "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" in accordance with the letter issued by the Financial Supervisory Commission, with the issue number #1060001296 on February 9, 2017 and #1060004523 on February 13, 2017, the company plans to amend certain provisions in the "Procedures for Acquisition and Disposal of Assets."
- (2) Please refer to Attachment VII for the comparison between current and amended Articles of the company's "Procedures for Acquisition and Disposal of Assets."

Resolution: Chairperson ask for every present shareholders' opinion and there is no objection. RESOLCED, that the above proposal be and hereby was approved as proposed.

III. To Elect Directors and Supervisors.

(Proposed by the Board of Directors)

Explanatory Notes:

- (1) The tenure of Directors and Supervisor's expired on June 5, 2017. According to the Company Act article, the company proposes to duly elect.
- (2) According to the Articles of Incorporation and the board of Directors proposed on March, 23, 2017. The company proposes to duly elect new eight Board

members at this year's Annual Shareholders' Meeting (including three independent Directors, under candidate nomination system), and three Supervisors. The tenure of newly elected directors and supervisors shall commence on June 22, 2017 and expire on June 21, 2020.

- (3) According to the Company of Procedures for Election of Directors and Supervisors, please refer to the Handbook of the 2017 Annual Shareholders' Meeting.
- (4) The qualification of the nominated Independent Directors has been reviewed by the Board meeting on May 9, 2017. The Independent Directors shall be elected from the nominated candidates. The Independent Director candidates' academic background, experience, number of shares held and relevant information are refer to the Handbook of the 2017 Annual Shareholders' Meeting.

Voting Results:

Title	Shareholder Account No.	Name	Votes in favor
Directors	1	Li Fen Chen	46,576,491
Directors	2	Ming Che Hsu	44,358,828
Directors	157	An Li	39,797,998
Directors	35	Pi Hsia Wang Chen	39,286,565
Directors	25	Sheng Fang Zheng	38,840,463
Independent Directors	R120*****	Nai Chang Wei	38,597,495
Independent Directors	Y120*****		36,791,638
Independent Directors	201	Chung Jen Wu	36,717,058
Supervisors	64	His Hui Kuang	40,125,004
Supervisors	23	Mei Li	40,120,817
Supervisors	9	Hsu Wen Tseng	40,116,630

IV. To Release the Prohibition on New Directors from Participation in Competitive Business.

(Proposed by the Board of Directors)

Explanatory Notes:

- (1) According to the Company Act article 209, a director who acts for himself or on behalf of another person that is within the scope of the company's business, shall secure approval for such at the meeting of shareholders. (Even if the director of the mainland subsidiary is the same.)

(2)Based on the Company operating considerations, and release the Prohibition on New Directors from Participation in Competitive Business.

(3) The Prohibition on New Directors are as following:

Name	Companies	Job Title
Li Fen Chen	CHIEFTEK PRECISION HOLDING CO., LTD	Directors
	cpc Europa GmbH	Directors
	CHIEFTEK PRECISION (HONG KONG) CO., LTD	Directors
	CHIEFTEK PRECISION USA CO., LTD	Directors
	CHIEFTEK MACHINERY (KUNSHAN) CO., LTD	Directors
	CSM Maschinen GmbH	Directors

Resolution: Chairperson ask for every present shareholders' opinion and there is no objection. RESOLCED, that the above proposal be and hereby was approved as proposed.

E. Special Motion: NO.

F. Adjourn: AM 09:30.