

Chieftek Precision Co., LTD.

2019 Annual Shareholders' Meeting Minutes

Meeting time : 9:00 a.m., June 12, 2019

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 73,806,862 shares and shares held by shareholders present in person or by proxy is 41,535,449 shares (the number of shares attended through electronic means is 6,519,962 shares)., and the percentage is 56.28%. 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, Independent Director Nai Chang Wei, Independent Director Ming Tzu Ho, Supervisor Mei Li, Supervisor Hsu Wen Tseng, Accountant Yung Chih Lin, Lawyer Chao Chin Syu.

A. Chairman's Address (omitted)

B. Report Items

- I. To Report the Business of 2018. (see Appendix 1)
- II. Supervisors' Review Report on the 2018 Financial Statements. (see Appendix 2)
- III. To Report 2018 Employees' Profit Sharing Bonus and Directors and Supervisors' Compensation.(see Appendix 3)
- IV. To Report the 2018 Endorsement and Guarantee.

C. Proposed Resolutions

I. To accept 2018 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, Mr. Lin, Yung-Chih and Ms. Lin, Tzu-Shu 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 2018 Business Report could be referred to Appendix 1, independent auditors' audit report, and Financial Statements by PwC could be referred to Appendix 4.

Resolved :

Approved as proposed, voting results are as follows (including votes casted electronically):

Number of votes represented by attending shareholders	Votes in favor	Votes against	Invalid Votes	Abstaining votes/no votes
41,535,449	41,179,008	26,142	0	330,299
100%	99.14%	0.06%	0%	0.80%

II. To Approve the Proposal for Distribution of 2018 Profit.

Proposed by the Board of Directors

Explanatory Notes :

- (1) The 2018 profit distribution program of the company has been accepted by board on May 2, 2019, in accordance with company Act and the Articles of Incorporation of the company.
- (2) The cash dividends of shareholders distributed in this plan amounted to NT\$73,806,862. Based on the actual number of shares in circulation, NT\$1.0 per share was allotted and NT\$73,806,870 was a dividend on shares. According to the number of shares actually traded, 100 shares are issued for each 1,000 shares and the total amount is NT\$147,613,732. Please refer to Appendix 5 of this manual for the surplus allocation table
- (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.
- (4) After the adoption by the general Shareholders Meeting, the Board of Directors is authorized to set out other related matters, such as ex-right date and the transfer of profit surplus.
- (5) 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, the company will submitted to the shareholder's meeting and the Board is authorized to make such adjustments.

Resolved :

Approved as proposed, voting results are as follows (including votes casted electronically):

Number of votes represented by attending shareholders	Votes in favor	Votes against	Invalid Votes	Abstaining votes/no votes
41,535,449	41,173,008	32,142	0	330,299
100%	99.13%	0.07%	0%	0.80%

D. Discussion Items

I. In the case of 2018 Surplus Transferring Capital and Issuing new Shares.

Proposed by the Board of Directors

Explanatory Notes :

- (1) In order to meet the needs of business development, the Company proposes to allocate NT\$73,806,870 from the available-for-distribution surplus for 2018, and to transfer 7,380,687 new shares to be issued for capital increase. The denomination of each share is NT\$10.
- (2) According to the shareholder's name list on the basis of the shares allotment, the proportion of shares held by the company, 100 shares are promissory for every 1,000 shares, and less than one share of abnormal shares is issued, and the shares are transferred from the shareholders to the company shares within five days from the date of transfer. The agency shall handle the registration of the whole stock by itself and make up the missing shares that are still insufficient or overdue. The depreciation shall be calculated in denominations to NTD (less than 1NTD will not be counted). Its shares will authorize the chairman of the board to appoint a specific person to subscribe for it in denomination.
- (3) The capital increase and issuance of new shares have the same rights and obligations as the shares that have already been issued.
- (4) Issues relating to the issuance of benchmark dates for new shares and capital increase issues shall be determined by the board of directors after being reported to the competent authority for approval.
- (5) Prior to the issuance of the new shares, if the share ratio of the shareholders is changed due to the purchase of shares of the company or the transfer, cancellation or other reasons of the treasury shares, which would affect the number of shares in circulation, the shareholders' meeting shall authorize the board of directors to handle the issue.
- (6) If the above matters relating to capital increase are subject to amendments approved by the competent authority and subject to changes in the operational requirements of the objective environment, the shareholders' meeting shall be authorized to authorize the board of directors to take full responsibility.

Resolved :

Approved as proposed, voting results are as follows (including votes casted electronically):

Number of votes represented by attending shareholders	Votes in favor	Votes against	Invalid Votes	Abstaining votes/no votes
41,535,449	41,174,258	31,149	0	330,042
100%	99.13%	0.07%	0%	0.80%

II. To Amend the Articles of Incorporation.

Proposed by the Board of Directors

Explanatory Notes :

- (1) According to Southern Business Registration Certificate's letter of August 14, 2018, Southern Taiwan Science Park Administration and The Company Act, No.1070023518, in conjunction with amending the Article of Incorporation No.1, 3, 5, 6, 14, 21 and 23 of the partial clauses, and revise provision No.7-1 and No.21-1.
- (2) Please refer to the Appendix 6 for the comparison tables of the articles to be amended.

Resolved :

Approved as proposed, voting results are as follows (including votes casted electronically):

Number of votes represented by attending shareholders	Votes in favor	Votes against	Invalid Votes	Abstaining votes/no votes
41,535,449	41,180,008	24,142	0	331,299
100%	99.14%	0.06%	0%	0.80%

III.To Amend the Procedures for the Acquisition or Disposal of Assets.

Proposed by the Board of Directors

Explanatory Notes :

- (1) Based on the Financial Supervisory Commission's letter of November 26, 2018, ChinKuanChengPhaChi No.1070341072 and December 21, 2018, ChinKuanChengPhaChi No.1070346971 "Regulations Governing Procedure for the Acquisition or Disposal of Assets of Public Companies".
- (2) The Comparison Tables of the Procedures for the Acquisition or Disposal of Assets can be referred to the Appendix 7.

Resolved :

Approved as proposed, voting results are as follows (including votes casted electronically):

Number of votes represented by attending shareholders	Votes in favor	Votes against	Invalid Votes	Abstaining votes/no votes
41,535,449	41,180,008	24,142	0	331,299
100%	99.14%	0.06%	0%	0.80%

IV. To Amend the Procedures for the Endorsement and Guarantees.

Proposed by the Board of Directors

Explanatory Notes :

- (1) Based on the Financial Supervisory Commission's letter of March 7, 2019, ChinKuanChengPhaChi No.1080304826 "The Amendment of the Procedure for the Endorsement and Guarantees".
- (2) The Comparison Tables of the Procedures for the Endorsement and Guarantees can be referred to the Appendix 8.

Resolved :

Approved as proposed, voting results are as follows (including votes casted electronically):

Number of votes represented by attending shareholders	Votes in favor	Votes against	Invalid Votes	Abstaining votes/no votes
41,535,449	40,675,508	528,642	0	331,299
100%	97.93%	1.27%	0%	0.80%

V. To Amend the Procedures for the Management of Loans to Others.

Proposed by the Board of Directors

Explanatory Notes:

- (1) Based on the Financial Supervisory Commission's letter of March 7, 2019, ChinKuanChengPhaChi No.1080304826 "The Amendment of the Procedure for the Management of Loans to Others".
- (2) The Comparison Tables of the Procedures for the Endorsement and Guarantees to be amended can be referred to the Appendix 9.

Resolved :

Approved as proposed, voting results are as follows (including votes casted electronically):

Number of votes represented by attending shareholders	Votes in favor	Votes against	Invalid Votes	Abstaining votes/no votes
41,535,449	41,179,008	24,142	0	332,299
100%	99.14%	0.06%	0%	0.80%

VI. To Amend the Code of Corporate Governance.

Proposed by the Board of Directors

Explanatory Notes:

- (1) Based on the Gre Tai Securities Market (GTSM)'s letter of December 21, 2018, ChinKuanChengPhaChi No.10700540421 "Regulation of Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies".
- (2) The Comparison Tables of Code of Corporate Governance to be amended can be referred to the Appendix 10.

Resolved :

Approved as proposed, voting results are as follows (including votes casted electronically):

Number of votes represented by attending shareholders	Votes in favor	Votes against	Invalid Votes	Abstaining votes/no votes
41,535,449	41,180,008	24,142	0	331,299
100%	99.14%	0.06%	0%	0.80%

E. Special Motion : NO.

F. Adjourn : AM 09:45.