

Gemtek Technology Company, Ltd.

Notice of 2022 Annual Shareholders' Meeting

The Gemtek Technology Company, Ltd. 2022 Annual Shareholders' Meeting will be convened at 9:00 a.m., Thursday, June 9, 2022 at the Chung Hwa Park Recreation Center Conference Room (located at No.79, Ln. 1, Dazhi Rd., Hukou Township, Hsinchu County, Taiwan). Registration shall start at 8:30 a.m. (CST).

Pursuant to Company Act Article 165, the 60-day book closure period for the Annual Shareholders' Meeting will begin on April 11, 2022 and end on June 9, 2022.

The proposed meeting agenda is as follows:

I. Report Items

- a. To report the business of 2021.
- b. Audit Committee's review report
- c. To report on 2021 employees' compensation and remuneration of board of directors.
- d. To report on convertible bonds.
- e. To report on the drafting of Sustainable Development Best Practice Principles
- f. To report on the implementation of Share Buyback Program.

II. Proposed Resolutions

- a. To ratify 2021 Business Report and Financial Statements
- b. To ratify proposal for distribution of 2021 earnings

III. Discussion Items

- a. To amend Articles of Incorporation
- b. To amend Procedures for Acquisition and Disposal of Assets
- c. To discuss issuance of common shares by raising capital through private placement.

IV. Election

- a. The 11th election of the board of directors (including independent directors)

V. Other Matters

- a. To discuss matters on waiving the non-compete agreement for newly appointed directors

VI. Extemporary Motion

[Attachment 1]

Explanation for issuance of common shares by raising capital through private placement:

- (1) The private placement is to strengthen the company's financial structure and facilitate future business development, such as the expansion of production capacity, supplementation of business funds, payment of loans, and engagement of strategic investors. The number of shares or bonds privately placed shall not exceed 40,000 thousand shares (inclusive). The private placement shall be conducted twice within one year after the date of resolution.
- (2) Pricing basis of private placement and its reasonableness:
 - (I) The private placement price of the Company shall be no less than 80% of the higher of the following two calculation basis prior to the price determination date:
 - a. The simple average closing price of the common shares of the company for either the 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction.
 - b. The simple average closing price of the common shares of the company for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.
 - (II) On the basis that the actual pricing date and the actual private placement price is not lower than 80% of the higher price based on the aforementioned calculation approach, the board of directors shall be authorized by the shareholders meeting to determine the price after weighing the effects of specific persons and market conditions.
 - (III) The pricing method of the private placement complies with the relevant regulations of the competent authority, and has taken the company's future prospects and stock market price into consideration, and therefore is deemed reasonable.
- (3) The method and objectives for selecting the private placement investor, the necessity for the selection, and the anticipated benefits:
 - (I) The private placement is conducted according to Securities and Exchange Act Article 43-6, and is limited to strategic investors.
 - (II) Method and objectives for selecting the private placement investor, the necessity for the selection, and the anticipated benefits: To strengthen relationships with strategic partners. To enhance the Company's competitiveness, improve operational efficiency and facilitate long-term business development. To secure shareholders' rights and interests.
 - (III) There are no selected investors at the moment.
- (4) The necessity for conducting the private placement
 - (I) Reasons for conducting non-public offering:

Taking the following into consideration, the company plans to issue new shares through private placement to raise capital instead of public offering: capital market conditions, cost of issuance, the timeliness and feasibility of private placement, and restrictions regarding private equity shares not being able to transfer freely within three years. As a result, the company concludes that conducting a private placement is more likely to help ensure and strengthen closer relationships with strategic partners.
 - (II) Use of the funds raised by the private placement, and the anticipated benefits:

The private placement shall be conducted twice within one year after the date of resolution. Anticipated number of closings, purpose, and the anticipated benefits are described as follows:

Anticipated Number of Closings	Private Placement of Common Shares (10,000shares)	Purpose	Anticipated Benefits
1	2,000	Expansion of production capacity, supplementation of business funds, and payment of loans to meet the capital needs of the company's business development	Strengthen the company's financial structure and facilitate future business development
2	2,000		
If there are to be multiple closings, the unfulfilled commitments made by investors at the current closing may be passed on to the subsequent closing. If commitments made by investors for the current closing exceeds the customary closing conditions, the issuer may opt to issue all common shares at once, or take up a part of the units from the subsequent closing.			

(5) Rights and obligations of these new shares privately placed:

The rights and obligations of private placement of new stocks are the same as the common stocks issued by the Company. According to Article 43-8 of the Exchange Act, private placements are not subject to the transfer objects and conditions stipulated in this article. Ordinary shares shall not be freely transferable within three years from the date of delivery. Subsequent to three years from the delivery date, the company intends to obtain a consent letter approved by the Taiwan Stock Exchange that meets the listing standards in accordance with the Securities and Exchange Act and other relevant regulations, and then report to the competent authority for the supplementary public offering of private ordinary shares and application for listing and trading.

- (6) Due to the actual issuance conditions, plans, use of funds, possible benefits, and other unsettled matters, if there is any correction by competent authorities or due to objective changes of the environment, the Board of Directors will be authorized by the Shareholders' Meeting to handle such matters depending on the market status and in accordance with the laws.
- (7) The specific investor shall be a strategic investor who is able to directly or indirectly promote the Company's business. The Chairman of the Board shall be authorized to process the selection in full power. It is expected that the private placement will not result in any major changes in the Company's operation.
- (8) The Company's private placement of securities shall be conducted in accordance with the provisions of Article 43-6 of the Securities and Exchange Act. For more information, please refer to the Market Observation Post System for more details (Website: <https://mops.twse.com.tw/>).