

Gemtek Technology Company, Ltd.

Notice of 2024 Annual Shareholders' Meeting

The Gemtek Technology Company, Ltd. 2024 Annual Shareholders' Meeting will be convened at 9:00 a.m. on Wednesday, May 29, 2024 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, there will be a 60-day book closure period for the Annual Shareholders' Meeting, which will begin on March 31, 2024, and end on May 29, 2024.

The proposed meeting agenda is as follows:

I. Report Items

- a. 2023 Business Report.
- b. Audit Committee's 2023 Review Report
- c. To report on 2023 employees' compensation and remuneration of board of directors
- d. To report on convertible bonds.
- e. To report on the subsidiary company 's capital improvement plan for loans and over-limit.

II. Matters for Ratification

- a. To ratify 2023 Business Report and Financial Statements
- b. To ratify proposal for 2023 distribution of earnings

III. Matters for Discussion

- a. To discuss Raising Capital through Private Placement [Attachment 1]

IV. Extemporary Motion

[Attachment 1]

Note on Raising Capital through Private Placement

1. To facilitate the company's expansion of production capacity, enhance working capital, and repay outstanding bank loans, the raised funds will be strategically directed towards fortifying the financial structure and improving the company's future operational performance. The total number of private placement common shares shall not exceed 80,000,000 shares, which will be issued in two installments within one year from the date of the resolution of the shareholders' meeting.
2. Basis and rationality for determining the price for private placement:
 - (1) The price per share of private placement common stock shall not be lower than 80% of the reference price. The reference price is determined based on the higher of the following two benchmarks:
 - (a) The average closing price of the common shares from either 1, 3, or 5 business days before the pricing date, minus dividends adjustment, plus price discount adjustment due to capital reduction
 - (b) The average closing price of the common shares for a period of 30 business days before the pricing date, minus dividends adjustment, plus price discount adjustment due to capital reduction.
 - (2) The shareholders' meeting quorum will grant the board of directors the authority to determine the actual pricing date and price, taking into account the circumstances of the negotiated pre-selected investors and the prevailing market conditions.
 - (3) The pricing method of the private placement common shares complies with the relevant regulations of the competent authority, takes into account the company's future prospects and the market's stock price conditions, and should be reasonable.
3. Selection method and purpose of pre-selected investors, necessity and anticipated benefits:
 - (1) Private placement shall be conducted in accordance with Article 43-8 of the Securities and Exchange Act, and limited to strategic investors.
 - (2) Selection method and purpose: The pre-selection of investors is based on the assumption that they can contribute to the company's management of diverse operations and financial resources. They are expected to provide management expertise, enhance financial management, and support business development and expansion initiatives, thereby augmenting the company's competitive advantage.
 - (3) Necessity: The Company proposed to engage with strategic investors through private placement to raise capital for the Company's long-term operating plan and future business development. It is expected that the private placement will strengthen future competitiveness, improve financial structure, enrich working capital and have advantage on the Company's long-term development. Cooperation with strategic investors may lead to broader business territory, which also has positive influence on shareholders' equity.
 - (4) Anticipated benefits: By leveraging capital injections from strategic investors, the company can alleviate the burden on working capital cost, expand operational scale, enhance financial structure and strengthen market competitiveness, and ultimately increase shareholders' interests.

(5) There are currently no confirmed applicants.

4. Reasons necessitating the private placement

(1) Reasons for not adopting public offering: Considering factors such as timeliness, convenience, and the cost of financing, along with the regulatory constraints of a three-year no-trading period for private placements, this fundraising plan through private placement is deemed optimal. It is expected to foster a long-term relationship between the Company and its strategic investors. Hence, we propose to proceed with private placement for fundraising purposes.

(2) The use of the funds raised by the private placement, and the anticipated benefits: The issuance shall be conducted twice within one year from the date of resolution of the shareholders' meeting. The use of the funds raised by the private placement, and the anticipated benefits are illustrated as follows:

Number of Installments	Private Placement Common Shares	Use of Funds	Anticipated Benefits
1 st	40,000,000 shares	Expand production capacity, enrich working capital, and repay bank loans.	To strengthen the financial structure and improve the company's future operating performance.
2 nd	40,000,000 shares		
This private placement capital increase plan allows unissued shares from the initial installment to be combined with the subsequent one. Furthermore, if the shares allocated for the initial installment exceed the anticipated amount, they may be supplemented with a portion or all of the shares from the next installment.			

5. Rights and obligations regarding the private placement of common shares: The rights and obligations of the common shares issued in this private placement are generally the same as those of the common shares previously issued by the Company. Pursuant to Article 43-8 of the Securities and Exchange Act, the common shares issued in this private placement may not be freely transferred within three years after delivery, except in specific circumstances stipulated by laws and regulations. After the expiration of three years from the delivery date, the Company intends to authorize the Board of Directors to apply for and obtain consent letters from the Taiwan Stock Exchange in accordance with relevant regulations, and subsequently apply for public offering and listing.

6. In the event of regulatory changes or shifts in the business environment, the private placement will be brought before the shareholders' meeting. This is to authorize the Board of Directors to take appropriate actions in accordance with relevant regulations. These actions may involve adjusting issuance conditions, project plans, fund utilization progress,

anticipated benefits, and other pertinent matters related to the ongoing private placement of common stock.

7. The chairman will be authorized to select suitable investors who can directly or indirectly enhance the company's future operations. It is anticipated that the private placement plan will not result in significant changes to the company's management.
8. Based on Article 43-6 of the Securities and Exchange Act, with regards to the required information of the Company's private placement proposal, please refer to the website of MOPS (<https://mops.twse.com.tw/>). After entering the website, go to "Invest Zone", and then click "Private Placement Zone" (Gemtek Stock Code : 4906).