

FocalTech Systems Co., Ltd.

2017 ANNUAL SHAREHOLDERS' MEETING

MEETING NOTICE (Translation)

Time: 9 a.m., Wednesday, June 14, 2017

Location: Einstein, 2F, No.1, Gongye E. 2nd Rd., Hsinchu City
300, Taiwan. (Science Park Life Hub)

1. Agenda:

I. Report Items:

- (1) 2016 operating result report.
- (2) Audit Committee's review report.
- (3) 2016 profit sharing bonus to employees and directors' compensation.
- (4) Amendments to "The employee share grant rules applied to the second share buyback program".
- (5) Status of the company's share buyback program.

II. Proposed Resolutions:

- (1) To accept 2016 operating result report and financial statements.
- (2) To approve the proposal for distribution of 2016 profits.

III. Discussion Item:

To approve amendment to the "Procedures for Acquisition or Disposal of Assets".

IV. Directors Election:

To elect directors for term 6 board of directors, including independent directors.

V. Discussion Item:

To release the newly elected directors from Non-competition restrictions.

VI. Extempore motions.

2. The proposal for distribution of 2016 profits is to pay cash dividends of NT\$ 189,985,327 or NT\$ 0.6407 per share based on the outstanding shares as of January 31, 2017, to common shareholders.

3. Directors Election:

There will be nine directors (including 4 independent directors) elected at the meeting. Candidates of directors are: Genda Hu, M.C. Liao, James Liao, GWAA LLC (representative: H.P. Shieh), and Maxbase Holdings Limited (representative: Yen Shen). Candidates of independent directors are: Chintay Shih, Chan Jane Lin, Lin Shan Lee, and Morris Tu.

4. Non-competition restrictions release:

If Genda Hu, M.C. Liao, James Liao and H.P. Shieh (representative of GWAA LLC) are elected as directors, there will be a discussion to release the above mentioned directors from Non-competition restrictions.