

FocalTech Systems Co., Ltd.

2026 Annual Shareholders' Meeting Notice

(Summary Translation)

A. The 2026 Annual Shareholders' Meeting of FocalTech Systems Co., Ltd. will be convened at 11F-1, No. 23, Huanke 1st Rd., Zhubei City, Hsinchu County, Taiwan (R.O.C.), at 09:00 a.m. on May 26, 2026.

The agenda for the meeting is as follows:

1. Matters for Report

- (1) 2025 business report
- (2) Audit committee's review report
- (3) Status report of the company's share buyback program
- (4) Report on the Private Placement of Common Stock approved at the 2025 Annual Shareholders' Meeting

2. Matters for Ratification

- (1) Adoption of 2025 business report and financial statements
- (2) Adoption of the proposal for 2025 Deficit Compensation

3. Matters for Discussion

- (1) Proposal for cash distribution from Additional Paid-in Capital
- (2) Amendment to the "Rules of Procedure for Shareholders' Meeting"
- (3) To conduct the private placement of common shares in 2026

4. Elections

- (1) The 9th election of Directors

5. Other Proposals:

- (1) To release the prohibition on Directors from participation in competitive business

6. Extemporaneous motions

B. Pursuant to Article 241 of Company Act, the Board of Directors proposed to distribute NTD177,000,000 in cash to shareholders from the share premium in additional paid-in capital, approximately NTD0.8 per share.

- C. The relevant information regarding the discussion matter “To conduct the private placement of common shares in 2026” could be referred to the attachment 1.
- D. 1. The number of directors to be elected in this shareholders meeting: 8 directors (including 4 independent directors).
2. List of nominee candidates:
Directors: Genda Hu, GWAA LLC (representative: Han-Ping Shieh), GWAA LLC (representative: Jeff Chang), Acer Incorporated
Independent directors: Chan-Jane Lin, Hsing-Chien Tuan, Jim Lai, Lung-Chin Tu
3. More information relevant to the nominee candidates is posted on MOPS website: <http://mops.twse.com.tw>
- E. The relevant information required to disclose by following the Article 172 of Company Act. is posted on MOPS website:
<http://mops.twse.com.tw>
- F. One copy of the attendance notification form and proxy form will be attached to this meeting notice. If the shareholder plans to attend the meeting in person, please sign or stamp on the attendance notification form and carry it to the check-in desk on the day of the meeting (unnecessary to mail back first). In the case that an agent is entrusted to attend the meeting, the shareholder shall sign or stamp on the proxy form and personally fill out the name and address of the agent, and then deliver the proxy form to the Transfer Agency Department of CTBC BANK Co., Ltd. at least 5 days prior to the day of the meeting. The signed proxy form will serve as the sign-in card for agent to represent the vote at the meeting.
- G. If the proxy is solicited by the shareholder(s), the Company is required to compile details on the proxy solicitation parties and disclose such information on the Securities & Futures Institute (SFI) website no later April 24, 2026. Shareholder(s) can obtain information on the "Free proxy disclosure & related information system" search page on <https://free.sfi.org.tw>
- H. Shareholders may exercise their voting rights through the STOCKVOTE

platform of Taiwan Depository & Clearing Corporation
(<https://www.stockvote.com.tw>) during the period from April 26, 2026
to May 23, 2026.

I. The Transfer Agency Department of CTBC BANK Co., Ltd. is the proxy
tallying and verification institution for this annual shareholders'
meeting.

J. These regulations should be abided and applied.

Attachment 1

Subject: To conduct the private placement of common shares in 2026

Descriptions:

- (1) For the Company's long-term operational development, the company plans to introduce strategic investors to jointly develop products or expand business operations. In accordance with Article 43-6 of the Securities and Exchange Act, the Company intends to conduct cash capital increase through private placement of common shares, and issues no more than 40,000,000 shares, at par value NT\$ 10 per share. It will be conducted 1 to 3 times within one year from the date of resolution of the shareholders' meeting.
- (2) Basis and rationality of price setting for the private placement:
 1. The price of the private placement shares shall be no less than 80% of the higher of the following two reference prices:
 - A. The simple average closing price of the common shares for either 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 for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.
 2. The actual issue price of the common shares in this private placement will be determined with reference to the Company's operating conditions, future prospects, the restriction that the shares cannot be freely transferred for three years, and the recent stock price. The price will be determined in accordance with the " Directions for Public Companies Conducting Private Placements of Securities" and the provisions of current laws and regulations. Therefore, the setting of the private placement price should be reasonable.

(3) Method of selecting specific persons for private placement:

1. The private placement parties are limited to specific persons as defined in Article 43-6 of the Securities and Exchange Act, and must be strategic investors. They can contribute the Company's long-term development and benefits.

2. Purpose, Necessity, and Expected Benefits of Selecting Strategic Investors:

For the Company's long-term operational development, the Company intends to introduce strategic investors for joint product development or business expansion. They will enhance operational performance, strengthen the financial structure, improve overall competitiveness, and create the interests of shareholders.

3. No investors have been finalized at this stage.

(4) Necessity for Conducting Private Placement:

1. Reason for conducting non-public offering:

The Company plans to introduce strategic investors to improve its future competitiveness. Private placement securities are subject to the regulation that they cannot be freely transferred within three years, which can ensure the long-term cooperative relationship between the Company and its strategic investment partners. Therefore, the Company intends to raise funds from specific persons through private placement to improve the timeliness and flexibility of this fund raising.

2. The purpose of funds from private placements and the expected benefits:

The number of the private placement of common shares will issue no more than 40,000,000 shares and it will be conducted 1 to 3 times within one year from the date of resolution of the shareholders' meeting. All funds are used to purchase materials, increase working capital, payback bank loans, or other needs for its future development. The plan will enhance the company's competitiveness, strengthen the shareholders structure and upgrade operating efficiency, and create the interests of shareholders.

- (5) The rights and obligations of the private placement of common shares are the same as those of the Company's outstanding common shares. However, in accordance with Article 43-8 of the Securities and Exchange Act, unless otherwise specified, the shares may not be traded within three years from the delivery or transfer date. After the three-year period, the Company will apply for public issuance and listing in accordance with relevant laws and regulations.
- (6) The important contents of the private placement plan, except the private placement pricing ratio, including issue shares, price, terms, timing, fundraising amount, investor selection, and other relevant matters. In the event of changes due to amendments in laws and regulations, instructions from competent authorities, or objective environmental changes, it is proposed that the shareholders' meeting authorize the Board of Directors to determine and adjust such matters based on market conditions and the Company's operational needs, and to fully handle all related matters in accordance with applicable regulations, and authorize the chairman to sign all contracts and documents related to the private placement of common shares on behalf of the company.