

# **Compal Electronics, Inc.**

## **Notice of 2014 Annual General Shareholders' Meeting**

Dear Shareholders,

The 2014 Annual Shareholders' Meeting (the "Meeting") of **Compal Electronics, Inc.** (the "Company") will be convened at **9:00 am, Friday, June 20, 2014** at **Compal Headquarter, B1** (No. 581, Ruiguang Rd., Neihu District, Taipei, 11492, Taiwan).

I. The agenda for the Meeting is as follows:

**1. Report Items**

1. Report on Business for the year 2013;
2. Report of Supervisors' Examination for the year 2013 Financial Statements; and
3. Report on the implementation status of the merger between the Company and Compal Communications Ltd.

**2. Ratification Items**

1. To ratify the Financial Statements Report for the year 2013; and
2. To ratify the Distribution of Earnings for the year 2013

**3. Discussion and Election Items**

1. To approve the proposal of cash distribution from capital surplus;
2. To approve the amendment to the Articles of Incorporation;
3. To approve the amendment to the Procedures for Acquisition or Disposal of Assets;
4. To approve the amendment to the Procedures for Financial Derivatives Transactions;
5. To approve the amendment to the Regulations for Election of Directors and Supervisors;
6. To approve the Employee Restricted Stock Awards
7. Election of additional one (1) Director of the 11<sup>th</sup> term
8. To approve the release of non-competition restrictions for Directors

**4. Special Motion(s)**

II. The amount of earnings for the year 2013 available for distribution to shareholders as dividend and bonus is NT\$ 2,177,667,913. Such amount is proposed to be distributed in the form of cash dividend. Each shareholder will be entitled to receive a cash dividend of NT\$0.5 per share.

III. In accordance with Article 241 of the Company Act, the Company proposes a cash distribution of NT\$ 2,177,667,913 from capital surplus in excess of par value of common shares issued to the registered shareholders on the record date, and the expected cash distribution will be NT\$0.5 per share.

IV. Pursuant to Article 209 of the Company Act, it is proposed to submit to the general meeting for resolution the proposal of releasing the non-competition restrictions on Directors (Mr. Wen-Chung Shen, Mr. Yung-Ching Chang, Mr. Shyh-Yong Shen, Kinpo Electronics, Inc., and the newly-elected Director), without prejudice to the interests of the Company.

**V. The shareholder voting right could be exercised through the Internet during the period from May 21, 2014 to June 17, 2014. Please login to the TDCC (Taiwan Depository & Clearing Corporation) website (<http://www.stockvote.com.tw>) to exercise voting rights in accordance with the online instruction.**

VI. Please note and act accordingly.

Sincerely Yours,

Board of Directors  
Compal Electronics, Inc.