

Ability Enterprise Company Limited
2020 Annual Shareholders' Meeting
(Translation)

Subject

2020 Annual Shareholders' Meeting of Ability Enterprise Company Limited
(The meeting) to be convened in accordance with the Company Law, Securities and Exchange Law and the resolution of the meeting Board of Directors (BOD) on May 6, 2020.

Announcements

1. Meeting time:
9 am on June 17, 2020
2. Meeting Venue:
The Lecture Hall of the Industrial Commercial Development & Investment Promotion Committee, New Taipei City (2F.-2, No.1, Wuquan 1st Rd., Xinzhuang Dist., New Taipei City 242, Taiwan, R.O.C.).
3. Meeting Agenda:
 - I. Report:
 - (1) The Company's Annual Business Report for 2019
 - (2) The Audit Committee's Review Report on the 2019 Financial Report
 - (3) The Company's 2019 Endorsement and Guarantee Records
 - (4) the Company's 2019 surplus earning distribution
 - (5) Other Reports
 - II. Proposed Resolution:
 - (1) To accept the Company's 2019 Business Report and Financial Statement
 - (2) To accept the Company's 2019 surplus earning distribution
 - III. Discussion:
 - (1) Revision to the Company's Articles of Incorporation
 - (2) Issuance of Restricted Share Awards
 - (3) Release the Prohibition on Directors from Participation in Competitive Business
 - (4) Extempore Motion
4. Please refer to the Attachment for the details of Restricted Share Awards.
5. The Board of Directors has resolved the 2019 earning distribution as follows:
Shareholders' cash dividends: NT\$84,708,844 in total and at NT\$ 0.3 per share.
6. According to the Art 172 of "Company Act", all the contents shall be clearly published in the Market Observation Post System with web of <http://mops.twse.com.tw>.
7. If any shareholder requires the Proxy of the Meeting, the Company will compile a statement of

the solicitation information on May 15, 2020 and disclose it on the website (<https://free.sfi.org.tw>) of the "Securities & Futures Institute" for the shareholders' convenience to check more details.

8. The shareholders also can vote through the STOCKVOTE platform of Taiwan Depository and Clearing Corporation (<https://www.stockvote.com.tw>) during the period from May 16, 2020 to June 14, 2020.
9. Transfer Agency Department of CTBC BANK will be the organization to verify and to perform the statistics calculation of the Proxy in the Meeting.

Attachment:

Details of Restricted Stock Awards

- I. To attract and retain the professional personnel for company and motivate employees to upgrade their centripetal force in order to create profit for company and shareholders, the Company plans to issue the restricted stock awards under the "Regulations Governing the Offering and issuance of Securities by Securities Issuers" .
- II. Condition of Issuance
 1. Issuance share volume: 6,000,000 shares; Facial value: NT\$10 per share;
The total issuance amount: NT\$60,000,000.00.
 2. Vested Conditions:
 - (1) Issuance Price: The issuance is gratuitous. NT\$0.00 per share
 - (2) Vested conditions: The qualified employees shall acquire the portion of vesting shares as follows, after the record date of capital increase, if he/she still works for the Company on the due date of the following period, his/her annual performance appraisals meet the requirement, and he/she conducts service in due diligence without violating any work rule of the Company.
After the expiry date of 1st year: 40% of the allocated shares
After the expiry date of 2nd year: 30% of the allocated shares
After the expiry date of third year: 30% of the allocated shares
 - (3) The countermeasure if the employees don't meet the vested conditions: The company shall freely collect and cancel the previous allocated shares to the employees who have the right but don't actually get the shares since not meeting the conditions required.
 - (4) Varsity of Issuance Shares: Common Shares
 - (5) The handling process if the employees fail to meet the vested conditions or any inheritance occurs: to handle it in accordance the company's rule of issuance.
 3. Qualification of Employee and shares granted

- (1) The vested shares shall offer to those employees who work in full-time for the Company and its controlling overseas and domestic companies in which regulated in the Article 369 –2 of the Company Act.
- (2) The qualified employees list and the allocated number of shares referring to the employee seniority, position, performance, contribution to company, special merit, other management consideration, the Company's business development demand & strategy, ... and etc., will be determined by the Chairman and approved by the BOD, only that those of managerial officer shall be approved by the Compensation Committee in advance.
- (3) Where an issuer issues employee stock warrants under Article 56-1, paragraph 1, the cumulative number of shares subscribable by a single warrant holder of the employee stock warrants, in combination with the cumulative number of new restricted employee shares obtained by the single warrant holder, may not exceed 0.3 percent of the Company's total issued shares. And the above in combination with the cumulative number of shares subscribable by the single warrant holder of employee stock warrants issued by the Company under Article 56, paragraph 1, may not exceed 1 percent of the issuer's total issued shares. However, with special approval from the central competent authority of the relevant industry, the total number of employee stock warrants and new restricted employee shares obtained by a single employee may be exempted from the above-mentioned restriction.

4. The necessity to issue Restricted Stock Awards

To attract and retain the professional personnel for company and motivate employees to upgrade their centripetal force in order to create profit for company and shareholders.

5. The grand amount of possible expense:

The Company shall evaluate the fair value of stock on delivery date and recognize the relative expense separately by years during the grant period. The total expense amount is estimated to be NT\$72,000,000, equaling to NT\$12 per shares. The annual expense for those three years shall separately be NT\$46,000,000 、 18,000,000 、 7,200,000. The dilution to EPS is respectively of NT\$0.17 、 NT\$0.06 、 NT\$0.03. The influence of the dilution on EPS is limited and no sincere impact to the shareholder's equity.

- III. The resolution of the shareholders' meeting on the RSA issuance shall be applied to the competent authority for execution at one time or separately, and the issuance can be issued one time or separately within one year after receiving the approval notice from the competent authority. The chairman can decide the issuance date with the authorization of the Board of Directors.
- IV. Any matters not set forth herein shall be dealt with in accordance with the Applicable Law and/or the Articles.