

Compal Electronics, Inc.

Notice of 2016 Annual General Shareholders' Meeting

Dear Shareholders,

The 2016 Annual Shareholders' Meeting (the "Meeting") of **Compal Electronics, Inc.** (the "Company") will be convened at **9:00 am, Friday, June 24, 2016** at **Compal Headquarter, B1** (No. 581, Ruiguang Rd., Neihu District, Taipei, 11492, Taiwan).

I. The agenda for the Meeting is as follows:

1. Discussion Items

- (1) To approve the amendment to the "Articles of Incorporation"
- (2) To approve the proposal of cash distribution from capital surplus
- (3) To approve the amendment to the "Procedures for Financial Derivatives Transactions"
- (4) To approve the release of non-competition restrictions for Directors

2. Report Items

- (1) Report of the distribution of compensation to employees and directors for the year 2015
- (2) Report on Business for the year 2015
- (3) Audit Committee's Review Report for the year 2015
- (4) Report of Mactech Corporation, Compal's subsidiary, whose rectification plan after the balance of loaning of funds exceeded the limit set by the regulations of Mactech Corporation.

3. Ratification Items

- (1) To ratify the Financial Statements and Business Report for the year 2015
- (2) To ratify the Distribution of Earnings for the year 2015

4. Special Motion(s)

5. Meeting Adjourned

II. The amount of earnings for the year 2015 available for distribution to shareholders as dividend and bonus is NT\$ 4,426,670,625. 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\$1 per share.

III. In accordance with Article 241 of the Company Act, the Company proposes a cash distribution of NT\$ 885,334,125 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\$0.2 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. Jui-Tsung Chen, Mr. Shyh-Yong Shen, Mr. Charng-Chyi Ko, Mr. Chung-Pin Wong, Mr. Chao-Cheng Chen, Mr. Min Chih Hsuan, Mr. Duh Kung Tsai), without prejudice to the interests of the Company.

V. The shareholder voting right could be exercised through the Internet during the period from May 25, 2016 to June 21, 2016. 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.