

Stock Code : 2455



Visual Photonics Epitaxy Co., Ltd.

**Handbook for the 2018
Annual Meeting of Shareholders**

TIME : June 15, 2018

Venue : No.16, Gongye 1st Rd., Pingzhen Dist., Taoyuan City 324, Taiwan

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Visual Photonics Epitaxy Co., Ltd.

Meeting Procedure

- I. Call the Meeting to Order
- II. Chairman Address
- III. Management Presentation
- IV. Proposals
- V. Questions and Motions
- VI. Adjournment

Visual Photonics Epitaxy Co., Ltd.

Meeting Agenda

Time: 09:00a.m., June 15, 2018

Venue: No.16, Gongye 1st Rd., Pingzhen Dist., Taoyuan City 324, Taiwan

- I. Call the Meeting to Order
- II. Chairman Address
- III. Management Presentation
 1. 2017 Business Report.
 2. 2017 Audit Committee Review Report.
 3. Distribution of Employee's compensation and remuneration to Directors and Supervisors of 2017 Profits.
 4. Report on the Progress of Treasury Stocks Repurchase.
- IV. Proposals
 1. Adoption of the 2017 Business Report and Financial Statements.
 2. Adoption of the Proposal for Distribution of 2017 Profits.
- V. Questions and Motions
- VI. Adjournment

Management Presentations

1. The 2017 Business Report is attached as page 5~7, Appendix I.
2. The 2017 Audit Committee Review Report is attached as page 8, Appendix II
3. Distribution of Employees' compensation and remuneration to Directors of 2017 profits.

2017 profit before income tax: NT\$539,009,277. Employees' cash compensation is NT\$43,120,742 and Directors' cash remuneration is NT\$16,170,278 which are both distributed in accordance with the Corporate Charter.

4. Implementation of Treasury Stocks Repurchase.

The company completed a share repurchase program in 2016:

Unit: NTDS

Date of Board resolution	April 29, 2016
Purpose of share repurchase	Transferring shares to employees
Number of shares repurchase	3,000,000 shares (Note)
Repurchase period	May 26, 2016 ~ June 20, 2016
Repurchase Price Range	\$35 to \$79 The company is allowed to continue the share buyback when the share price drops below the lower limit
Types and Quantities of shares repurchase	Common stock 3,000,000 shares
Total value of shares repurchase	\$150,895,935
Number of shares retired and resold	Transferring 629,000 shares to employees in Aug 31,2017 Transferring 1,621,000 shares to employees in Nov.30,2017
Number of total treasury stock holdings	0 shares
Number of shares repurchase as a percentage of total outstanding shares	0%

Note : 2016 capital reduction ratio is 25% thus number of shares repurchase reduce to 2,250,000.

Proposals

1. (Proposed by the Board)

Proposal: Adoption of the 2017 Business Report and Financial Statements

Explanation:

- (1).The Company's 2017 Financial Statements including the Balance Sheet, Income Statement, Statement of Changes in Shareholders' Equity and Statement of Cash Flows were audited by independent auditors, Chou, Hsiao-Tzu and Lee, Hsiu-Ling of PwC Taiwan.
- (2).The 2017 Business Report, independent auditors' audit report and the above-mentioned Financial Statements are referred to page 5~7 Appendix I and page 9~16 Appendix III.
- (3).Please accept the aforementioned Business Report and Financial Statements.

Resolution:

2. (Proposed by the Board)

Proposal: Adoption of the Proposal for Distribution of 2017 Profits

Explanation:

- (1).Each common stock will be entitled to a cash dividend of NT\$2.5 which is authorized by the Board of Directors..
- (2).Please refer to the Profit Distribution Table as page 17 Appendix IV.
- (3).Please accept the aforementioned profit distribution.

Resolution:

Questions and Motions

Adjournment