

GCS Holdings, Inc.

2020 Annual General Meeting*

Time: 9:00 a.m., Friday, June 5, 2020 (Taiwan Time)

Place: B1F, No.85, Sec. 4, Roosevelt Rd., Taipei City, Taiwan (GIS NTU Convention Center)

Present:

Total shares represented by Members present in person, by proxy or voting by electronic transmission: 61,986,336

Total issued and outstanding shares: 89,974,504

Percentage of shares held by Members present in person, by proxy or by electronic transmission: 68.89%

Directors in Attendance:

Ta-Lun Huang, Chairman of the Company (“**Chairperson**”); Tsung-Lin Tseng, Independent Director

In Attendance:

Tien-Yi Li, the certified public accountant of PricewaterhouseCoopers Taiwan; Mei-Jung Huang, the attorney of CrownPro Attorneys-at-Law.

One. Chairperson noted that a quorum of Members was present in accordance with applicable laws. Accordingly, he declared the meeting duly convened and constituted. (Remarks omitted)

Two. Report Items

1. **Business Report of 2019**

Explanations: Business Report of 2019 is attached as Exhibit 1, pages 21-22 of the Handbook for 2020 Annual General Meeting (the “**Handbook**”).

2. **Audit Committee Report of 2019**

Explanations: Audit Committee Report of 2019 is attached as Exhibit 2, page 23

* Notes: English version of this Meeting Minutes is prepared for reference purpose only. In case of any discrepancy between Chinese and English versions, the Chinese version shall prevail.

of the Handbook.

3. Report on 2019 Employees and Directors' Compensation

Explanations: 2019 Employees and Directors' Compensation Allocation is attached as Exhibit 3, page 24 of the Handbook.

4. Report on 2019 Dividends Distribution in Cash

Explanations:

- (1) Article 14.3A of the articles of association of the Company provides that the Board shall report to the Members in the next general meeting after resolving to pay the dividends and bonus in cash in whole or in part in proportion to the number of shares held by each Member.
- (2) On March 16, 2020 Board meeting, the Board resolved to distribute cash dividends in a total of NTD 45,622,817, which is NTD 0.51 per ordinary share (cash dividends will be rounded off to the nearest New Taiwan Dollars), and the aggregate sum of decimals shall be recognized as the other income of the Company and the exact amount of cash dividends denominated in USD will be calculated based upon the average spot rate for buying and selling published by the Bank of Taiwan between NTD and USD on the day of the 2020 Annual General Meeting (the "AGM").
- (3) The Board further resolved, if necessary, to grant the Chairman of the Company with full power and authority to adjust cash dividends to be distributed to each ordinary share based on the number of actual ordinary shares outstanding on the record date for distribution.

5. Report on Revision of Rules for Transfer of Treasury Shares to Employees

Explanations:

According to Article 10 of the Rules for Transfer of Treasury Shares to Employees of the Company approved and adopted by the Board on August 15, 2016, November 10, 2016 and February 23, 2017, the Board shall report to the Members after revising the abovementioned Rules. Comparison Tables before and after revision for each Rules for Transfer of Treasury Shares to Employees are attached as Exhibit 4, page 25 of the Handbook.

6. Report on the Status of Cash Offering by Private Placement

Explanations:

The proposal to issue up to 4,000,000 ordinary shares by private placement in two installments within one (1) year ("**Private Placement**") has not been implemented after being approved by the Members in annual general meeting dated June 5, 2019.

Given that the one-year processing period will soon expire and implementation of Private Placement is no longer feasible and practical, the Board resolved on the March 16, 2020 Board meeting that the Private Placement be and is terminated.

Three. Proposed Resolutions

1. The Board recommends to the Members to accept 2019 Business Report and Financial Statements

Explanations:

- (1) 2019 Consolidated Financial Statements of the Company including Consolidated Balance Sheets, Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, and Consolidated Statements of Cash Flows, audited by Messrs. Li Tien-Yi and Hsieh, Chih-Cheng (“CPAs”) of PricewaterhouseCoopers Taiwan, along with the Business Report, have been reviewed and adopted by the Audit Committee members of the Company. The Audit Committee has accordingly issued Audit Committee’s Report.
- (2) The 2019 Business Report, CPAs’ audit report and aforementioned Consolidated Financial Statements are provided as Exhibit 1, pages 21-22 and Exhibit 5, pages 26-34 of the Handbook.

Resolution:

61,986,336 shares were presented at the time of voting. 60,266,037 shares voted for the proposal, representing 97.22% of the total represented shares present. 223,902 shares voted against the proposal, representing 0.36% of the total represented shares present. 0 invalid vote, representing 0.00% of the total represented shares present. 1,496,397 shares waived or not voted, representing 2.41% of the total represented shares present. It was resolved that subject proposal be and is approved and adopted.

2. The Board recommends to the Members to accept 2019 Earnings Distribution Proposal

Explanations:

- (1) 2019 Earnings Distribution Proposal has been approved and adopted by the Board of the Company on March 16, 2020 Board meeting, and has also been reviewed and adopted by the Audit Committee members of the Company.
- (2) 2019 Earnings Distribution Table is attached as Exhibit 6, page 35 of the Handbook.

Resolution:

61,986,336 shares were presented at the time of voting. 60,279,031 shares voted for the proposal, representing 97.24% of the total represented shares present. 229,910 shares voted against the proposal, representing 0.37% of the total represented shares present. 0 invalid vote, representing 0.00% of the total represented shares present. 1,477,395 shares waived or not voted, representing 2.38% of the total represented shares present. It was resolved that subject proposal be and is approved and adopted.

Four. Discussion and Election Items

1. The Board recommends to the Members to adopt and approve Fifth Amended and Restated Memorandum of Association

Explanations:

- (1) To reflect the current registered office change of the Company, the Board proposes that the Fifth Amended and Restated Memorandum of Association be adopted and approved; and the current Fourth Amended and Restated Memorandum of Association be amended and restated by the deletion in its entirety and be replaced by Fifth Amended and Restated Memorandum of Association.
- (2) Comparison Table before and after revision for Fifth Amended and Restated Memorandum of Association is provided as Exhibit 7, page 36 of the Handbook.

Resolution:

61,986,336 shares were presented at the time of voting. 60,282,578 shares voted for the proposal, representing 97.25% of the total represented shares present. 223,918 shares voted against the proposal, representing 0.36% of the total represented shares present. 0 invalid vote, representing 0.00% of the total represented shares present. 1,479,840 shares waived or not voted, representing 2.38% of the total represented shares present. It was resolved that subject proposal be and is approved and adopted by a Special Resolution.

2. The Board recommends to the Members to adopt and approve Tenth Amended and Restated Articles of Association

Explanations:

- (1) To comply with the latest requirements set forth in the Checklist of Shareholders' Rights Protection promulgated by the Taipei Exchange in the Republic of China (Taiwan) (the "ROC"), the current ROC Company Act and Securities Exchange

Act, the Board of the Company proposes that the Tenth Amended and Restated Articles of Association be adopted and approved; and the current Ninth Amended and Restated Articles of Association be amended and restated by the deletion in its entirety and be replaced by Tenth Amended and Restated Articles of Association.

- (2) Comparison Table before and after revision for Tenth Amended and Restated Articles of Association is provided as Exhibit 8, pages 37-62 of the Handbook

Resolution:

61,986,336 shares were presented at the time of voting. 60,282,578 shares voted for the proposal, representing 97.25% of the total represented shares present. 223,918 shares voted against the proposal, representing 0.36% of the total represented shares present. 0 invalid vote, representing 0.00% of the total represented shares present. 1,479,840 shares waived or not voted, representing 2.38% of the total represented shares present. It was resolved that subject proposal be and is approved and adopted by a Special Resolution.

3. The Board recommends to the Members to adopt and approve the Revision of Rules and Procedures of Members' Meeting

Explanations:

- (1) To be in line with the revision of the Tenth Amended and Restated Articles of Association, the Board of the Company proposes that the revision of Rules and Procedures of Members' Meeting be adopted and approved.
- (2) Comparison Table before and after revision of Rules and Procedures of Members' Meeting is provided as Exhibit 9, pages 63-80 of the Handbook.

Resolution:

61,986,336 shares were presented at the time of voting. 60,282,568 shares voted for the proposal, representing 97.25% of the total represented shares present. 223,929 shares voted against the proposal, representing 0.36% of the total represented shares present. 0 invalid vote, representing 0.00% of the total represented shares present. 1,479,839 shares waived or not voted, representing 2.38% of the total represented shares present. It was resolved that subject proposal be and is approved and adopted.

4. The Board recommends to the Members to adopt and approve the Revision of Rules for Election of Directors

Explanations:

- (1) To comply with the articles of association of the Company and related ROC laws and regulations, the Board of the Company proposes that the revision of Rules for Election of Directors be adopted and approved.
- (2) Comparison Table before and after revision of Rules for Election of Directors is provided as Exhibit 10, pages 81-83 of the Handbook.

Resolution:

61,986,336 shares were presented at the time of voting. 60,272,573 shares voted for the proposal, representing 97.23% of the total represented shares present. 228,924 shares voted against the proposal, representing 0.36% of the total represented shares present. 0 invalid vote, representing 0.00% of the total represented shares present. 1,484,839 shares waived or not voted, representing 2.39% of the total represented shares present. It was resolved that subject proposal be and is approved and adopted.

5. The Board recommends to the Members to adopt and approve Issuance of 2020 Employee Restricted Shares and the Plan

Explanations:

- (1) The Board proposes that issue of Employee Restricted Shares (the “**RS**”) as one of the stock-based compensation to award the employees be adopted and approved.

The Main Points of Issuance of RS:

- A. Adoption by Board of Directors Meeting: March 16, 2020.
- B. Issue Price: The RS shall be issued at NTD 0 per share, which means the eligible employee will receive the RS gratuitously.
- C. Total Number of RS to be Issued: The total number of the RS to be issued will be 1,000,000 ordinary shares of the Company.
- D. Terms and Conditions of Issue of the RS (including methods to handle the RS under the Vesting Schedule, unvested RS awards or in the event of inheritance) according to 2020 Employee Restricted Shares Plan (the “**Plan**”):
 - (a) Vesting Schedule:
 - i. First anniversary of the Grant Date, 50% of the total number of the granted RS.
 - ii. Second anniversary of the Grant Date, 50% of the total number of the granted RS.
 - (b) Methods to handle the unvested RS awards or in the event of inheritance: Please see the Plan.

- E. Eligible Employees:
- (a) Full-time or part-time employees of the Company and a domestic or foreign company which has the controlling or subordinate relationship with the Company as of the Grant Date are eligible participants of the Plan. The Chairman of the Company shall nominate and determine the employees who are entitled to the RS and the number of the RS to be granted after taking into consideration factors such as work experience, seniority, job performance and overall contribution or special achievements, and then submit to the Board for approval by a majority vote at a Board meeting attended by more than two-thirds of the total number of all directors. Any grant of the RS to an employee who also serves as a member of the Board and/or a managerial officer, however, requires a prior approval from the Compensation Committee before submitting to the Board for approval.
 - (b) The accumulative number of the RS obtained by each employee, in combination with the accumulative number of options granted to such employee under Article 56-1, paragraph 1 of the Criteria Governing the Offering and Issuance of Securities by Securities Issuers, shall not exceed 0.3% of the total issued shares of the Company. And the above in combination with the accumulative number of shares granted to each employee under Article 56, paragraph 1, shall not exceed 1% of the total issued shares of the Company.
- F. The Grounds and Necessity of Issue of the RS: To attract and retain professionals needed by the Company, incentivize employees and augment the employees' loyalty to jointly create the interest of the Company and its Members.
- G. The Estimated Expense: The accrued expense is likely to be NTD 63,100,000, which shall be allocated to 2020, 2021 and 2022 by the amount of NTD 23,727,000, NTD 31,550,000, and NTD 7,823,000 per preceding year.
- H. The Estimated Diluted Earnings per Share of the Company and the Impacts on Members' Equity: Based on the vesting schedule and current outstanding shares, the diluted earnings per share of year 2020, 2021 and 2022 are estimated to be NTD 0.27, NTD 0.35 and NTD 0.09, which should not cause tremendous impacts on Members' equity.
- (2) The Plan reviewed and adopted by the Audit Committee of the Company and further accepted by the Board is provided as Exhibit 11, pages 84-92 of the Handbook.

Resolutions:

61,986,336 shares were presented at the time of voting. 59,846,011 shares voted for the proposal, representing 96.54% of the total represented shares present. 657,926 shares voted against the proposal, representing 1.06% of the total represented shares present. 0 invalid vote, representing 0.00% of the total represented shares present. 1,482,399 shares waived or not voted, representing 2.39% of the total represented shares present. It was resolved that subject proposal be and is approved and adopted by a Supermajority Resolution.

6. The Board recommends to the Members to re-elect Four (4) Directors and Three (3) Independent Directors

Explanations:

- (1) The three-year term of incumbent Directors and Independent Directors commenced from June 1, 2017 and expired on May 31, 2020. According to Article 195 of ROC Company Act, when there's no election of new directors is effected after expiration of the term of incumbent directors, the term shall be extended until new directors have been elected and assumed their office.
- (2) Pursuant to the articles of association of the Company, the Company proposes to re-elect four (4) Directors and three (3) Independent Directors and the re-elected directors and independent directors will commence their term from June 5, 2020 and continue until June 4, 2023. Election of Directors and Independent Directors shall be carried out in accordance with the candidate nomination system. The Roster of Directors and Independent Director Candidates is provided as Exhibit 12, pages 93-97 of the Handbook.

Election Results:

It was resolved that Ta-Lun Huang (黃大倫), EPISTAR Corporation (晶元光電股份有限公司), GaNrich Semiconductor Corporation (嘉和半導體股份有限公司), Ann Bau Hsing (安寶信) be and are elected as the Directors and Tsung-Lin Tseng (曾宗琳), Jian-Jong Cheng (程建中) and Jung-Kung Yang (楊榮恭) be and are elected as the Independent Directors of the Company for a term from June 5, 2020 to June 4, 2023. Votes received by each Director are as follows:

	ID/ SH No.	Name	Votes Received
Director	SH No. 88	Ta-Lun Huang	64,453,473
Director	SH No. 30121	EPISTAR Corporation	55,793,905
Director	SH No. 35937	GaNrich Semiconductor	54,659,725

		Corporation	
Director	SH No. 1	Ann Bau Hsing	53,683,081
Independent Director	SH No. 7954	Tsung-Lin Tseng	52,583,754
Independent Director	F1204XXXXX	Jian-Jong Cheng	52,151,950
Independent Director	F1212XXXXX	Jung-Kung Yang	51,801,072

7. The Board recommends to the Members to grant waivers to Directors' and Independent Directors' engagement in any business within the scope of the Company's business

Explanations:

- (1) Article 209 of ROC Company Act provides that "A director engaging business activities for himself or on behalf of another that is within the scope of the company's business shall explain to the meeting of shareholders the essential contents of such an act and acquire shareholders' approval."
- (2) To comply with ROC Company Act and reflect actual needs, the Board proposes to grant waivers to any Director or Independent Director who invests or engages in the same or similar business activities or acts in the capacity of a director of other companies provided that the interests of the Company will not be harmed.
- (3) The Directors and Independent Directors' current engagement in business within the scope of the Company's business is provided as Exhibit 13, pages 98-99 of the Handbook.

Resolutions:

61,986,336 shares were presented at the time of voting. 60,266,520 shares voted for the proposal, representing 97.22% of the total represented shares present. 229,507 shares voted against the proposal, representing 0.37% of the total represented shares present. 0 invalid vote, representing 0.00% of the total represented shares present. 1,490,309 shares waived or not voted, representing 2.40% of the total represented shares present. It was resolved that subject proposal be and is approved and adopted by a Supermajority Resolution.

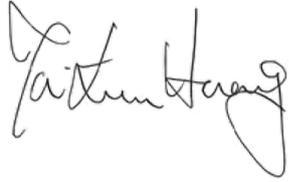
Five. Questions and Extemporaneous Motions

No questions and extemporaneous motions.

Six. Close of the Meeting: 9:49 a.m.

主席：黃大倫

Chairperson: Ta-Lun Huang

Handwritten signature of Ta-Lun Huang in black ink.

記錄：胡慕真

Secretary: Mu-Chen Hu

Handwritten signature of Mu-Chen Hu in black ink.