

Meeting Notice
for
Annual Shareholders' Meeting

(Summary Translation)

The 2020 Annual Shareholder's Meeting (the "Meeting") of Transcend Information, Inc. (the "Company") will be convened at 9:00 a.m., Friday, June 19, 2020 at the Company Headquarters (located in 1F, No. 70, XingZhong Rd., NeiHu Dist., Taipei 114, Taiwan).

1. The agenda for the Meeting is as follows:

I. Report Items

- (1) To report the business of 2019.
- (2) Audit Committee's review report.
- (3) To report 2019 employees' profit sharing bonus and directors' compensation.
- (4) The status of endorsements and guarantees provided by the Company.
- (5) Cash distribution from 2019 Retained Earnings.
- (6) Cash distribution from capital surplus.
- (7) The execution result of the 1st share repurchase program.

II. Proposed Items

- (1) Adoption of 2019 Business Report and Financial Statements.
- (2) Adoption of the proposal for distribution of 2019 earnings.

III. Discussion Items

- (1) To approve the amendments to "Articles of Incorporation".
- (2) To approve the amendments to "Procedures for Acquisition and Disposal of Assets".
- (3) To approve the amendments to "Procedures for Lending Funds to other Parties".
- (4) To approve the amendments to "Procedures for Endorsements and Guarantees".
- (5) Issuance of Restricted Stock Awards.

IV. Other Business and Special Motion

2. The major items of the report for cash distribution of 2019 profits adopted at Board of Directors meeting are as follows:

- I. Cash dividends to common shareholders: Totaling NT\$1,544,622,030. Each common shareholder will be entitled to receive a cash dividend of NT\$3.60 per share.
- II. Cash distributions from capital surplus: Totaling NT\$386,155,508. Each common shareholder will be entitled to receive NT\$0.90 per share.

3. Issuance of Restricted Stock Awards:

This English version is a translation based on the original Chinese version.
Where any discrepancy arises between the two versions, the Chinese version shall prevail.

Terms of Restricted Stock Awards are as the following:

A. Expected total shares of issuance: 2,000,000 common shares.

B. Terms and conditions:

I. Expected issue price: The current issue is gratuitous.

II. Vesting conditions:

i. Employees who achieve personal performance criterion or the Company's operation objectives set by the "Issuance Rules of Transcend 2019 Restricted Stock Awards Plan" and who have no violation on any terms of the plan are qualified to receive the vested shares. The proportions of the vesting shares to be granted each year are as below:

Continuous employment with the Company one year after the granted date – 30%

Continuous employment with the Company two years after the granted date – 30%

Continuous employment with the Company three years after the granted date – 40%

The share calculation shall be rounded to the nearest thousand shares.

ii. The personal performance target is set by the company and respective agreements of the employees and is based on the rating result for the year preceding the vesting dates.

iii. The Company's operation objectives are based on the sales revenue and gross margin shown on the financial statements certified by a certified public accountant and the internal performance assessment agreed by the Company and the employees.

III. Measures to be taken when employees fail to achieve the vesting conditions or in the event of inheritance:

The Company will redeem the issued restricted stock awards and cancel the full number of share in accordance with the terms of the issuance rules set by the Company.

C. Qualification requirements for employees:

i. Full-time employees of the Company and full-time employees of domestic or foreign controlled or affiliated companies who are already employed on the date that the restricted stock awards are awarded.

ii. The number of granted shares shall be determined by seniority, position, performance, overall contribution and other meaningful factors in management. The results of shares distribution shall be reviewed by the Chairman and obtain approval in the Board of Directors meeting. However,

for employees who are managers, the awards of such shares are subject to approval by the Compensation Committee.

- iii. The sum of cumulative number of shares granted to each employee shall be in accordance with the applicable laws and regulations in Offering Regulations.

D. The reason why it is necessary to issue restricted stocks for employees:

To attract and retain talents, motivate and engage employees for the best interest of the Company and its shareholders, so as to ensure the alignment of the employees' and shareholders' interests.

E. Calculated expense amount and impact on dilution of EPS or other factors affecting shareholder's equity: If based on the March 2, 2020 closing price, NT\$78, the annual amortized expenses from 2021 to 2023 will be projected as: NT\$91,000 thousand, NT\$44,200 thousand and NT\$20,800 thousand, respectively with the total amounts of NT\$156 million. As of March 2, 2020, the Company's issued outstanding shares are 429,061,675 shares, the dilution from 2021 to 2023 will be projected as: NT\$0.21, NT\$0.10 and NT\$0.05, respectively. There is limited dilution of the Company's future EPS, and there is no material impact on existing shareholder's equity.

4. Enclosed please find each one copy of the Notice of Attending the Regular Shareholders' Meeting and a Proxy Letter for your disposal. If you want to participate in the said meeting personally, please sign or affix your seal on the said Notice of Attending the Regular Shareholders' Meeting and bring it to the meeting place on the meeting day to report your attendance; If you want to assign a proxy to attend the said meeting, please fill out the attached Proxy Letter indicating the name and address of the agent appointed by you and provide your personal signature or seal on the Proxy Letter and mail the Proxy Letter within five days prior to the calling of the shareholders' meeting to the Agency of our Stock Capitals, the Transfer Agency Department of CTBC Bank, so that the Company can send out the Meeting Attendance Admission (or Attendance Signature Card) to you.

5. If any situation for the case of seeking the Power of Attorney in public, which case the company will submit to S.F.I. (Website: <http://free.sfi.org.tw>) on May 19, 2020. Please go on the website if requiring any further information.

6. Shareholders may exercise electronic voting at the Meeting. The period would be from

May 20, 2020 to June 16, 2020. Please log in Taiwan Depository & Clearing Corporation “E-voting platform for shareholders” (<https://www.stockvote.com.tw>) and follow the instructions.

Yours faithfully,
Board of Directors,
Transcend Information, Inc.