

Stock code: 8069



**E INK HOLDINGS INC.**

**2022**

**ANNUAL GENERAL MEETING OF  
STOCKHOLDERS**

**MEETING MANUAL**

**Date of meeting: June 22, 2022**

**Venue: The Company's 1F conference room (No. 3, Lixing 1st Road,  
Hsinchu Science Park, Hsinchu City)**

**Form of meeting: Physical shareholder meeting**

## Table of Content

I. MEETING AGENDA.....	1
II. REPORT ITEMS.....	2
III. ADOPTION ITEMS.....	5
IV. DISCUSSION ITEMS.....	6
V. SPECIAL MOTIONS.....	7

### **APENDIX**

1. Business Report.....	8
2. 2021 Financial Statements.....	13
3. Audit Committee's Review Report .....	13
4. Third Share Repurchase And Employee Incentive Plan.....	14
5. Table For The Distribution Of Earnings In 2021 .....	16
6. Articles Of Incorporation .....	17
7. Articles Of Incorporation (Draft of Revision) and Comparison Table of the Draft Amendment of the Articles of Incorporation .....	22
8. Rules Of Procedure For Shareholders' Meetings(Before Amendment) .....	29
9. Rules of Procedure for Shareholders' Meetings (Draft of Revision) and Comparison Table of the Draft Amendment .....	35
10. Procedures Of Acquisition Or Disposal Of Asset(Draft of Revision) and Comparison Table of the Draft Amendment of the Procedures for Acquisition or Disposition of Assets.....	63
11. Information Regarding Remuneration To Directors And Employees .....	87
12. Impact Caused By Stock Dividends On Business Performance, Earnings Per Share, And Return On Equity.....	87
13. Directors' Shareholding.....	87

E Ink Holdings Inc.  
2022 Annual General Meeting  
Meeting Agenda

Date and Time: 9:00 am, Wednesday June 22, 2022

Venue: The Company's 1F conference room (No. 3, Lixing 1st Road, Hsinchu Science Park, Hsinchu City)

Meeting Procedure:

1. Announcement of the Commencement

2. Chairman's Opening Remarks

3. Report Items:

(1) 2021 business report and financial statements of the Company.

(2) Audit Committee's 2021 review report.

(3) Report on the distribution of 2021 remuneration for employees and directors of the Company.

(4) Report on the distribution of cash dividends from 2021 earnings.

(5) Report on execution of treasury stock and transfer to employees.

4. Adoption Items:

(1) To adopt the 2021 financial statements of the Company.

(2) To adopt the proposal for 2021 earnings distribution of the Company.

5. Discussion Items

(1) Proposal for partial amendments to the Company's Articles of Incorporation

(2) Proposal for partial amendments to the Company's "Shareholders Conference Rules."

(3) Proposal for partial amendments to the Company's "Procedures of Acquisition or Disposal of Asset."

(4) Proposal to remove restrictions imposed against the Company's directors for involving in competing businesses.

6. Special motions

7. Adjournment

## Report Items

### [Motion 1]

Summary: Presentation of the Company's 2021 business report and financial statements for acknowledgment.

Details:

- (1) In 2021, the Company reported standalone net operating revenues of NT\$18,068,580,000, consolidated net operating revenues of NT\$19,650,564,000, and net income attributable to the Company totaling NT\$5,150,045,000.
- (2) After-tax earnings per share for 2021 were reported at NT\$4.53.
- (3) The business report and financial statements are attached hereto in Appendices 1-2.
- (4) Please acknowledge.

### [Motion 2]

Summary: Presentation of Audit Committee's 2021 review report for acknowledgment.

Details:

- (1) The Company's financial statements for the year 2021 have been audited by CPA, and reviewed by the Audit Committee together with the business report and proposal for earnings distribution. Independent auditor's report and the Audit Committee's review report for the audited financial statements are attached hereto in Appendices 1-3.
- (2) Please acknowledge.

### [Motion 3]

Summary: Report on the distribution of 2021 remuneration for employees and directors of the Company; presented for acknowledgment.

Details:

- (1) Pursuant to Article 19 of the Articles of Incorporation, "Profits concluded from a financial year are subject to employee remuneration of at least 1% and director remuneration of no more than 1%."
- (2) The Company reported NT\$5,298,988,000 of pre-tax profit and NT\$5,377,788,000 of pre-tax profit before employee and director remuneration (referred to as "Profit" below) for 2021, and a proposal has been made according to the above clause to pay NT\$53,800,000 of employee remuneration and NT\$25,000,000 of director remuneration entirely in cash; both of which conform with the percentages stated in the Articles of Incorporation. Employee remuneration may be paid to employees of subordinate companies, for which the Chairman is authorized to determine the scope and criteria of eligible employees.
- (3) Please acknowledge.

### [Motion 4]

Summary: Report on the distribution of cash dividends from 2021 earnings. Please acknowledge.

- (1) According to Article 19-2 of the Articles of Incorporation, any cash distribution of earnings,

whether in whole or in part, shall be resolved in a board meeting with more than two-thirds of the board present, voted in favor by more than half of attending directors, and reported in the upcoming shareholder meeting.

- (2) The board of directors has resolved to pay 2021 dividends in cash at NT\$3.2 per share for a sum of NT\$3,649,295,088. Dividends and profit sharing shall be distributed to shareholders based on the names and shareholding position recorded on the shareholder registry as of the dividend baseline date. The amount of payment shall be rounded down to nearest dollar; fractions that do not amount to a full NT\$1 are to be summed and recognized by the Company as other income.
- (3) The cash dividend payout ratio disclosed herein was calculated based on the number of shares outstanding on December 31, 2021. Should the Company decide to buy back its shares, transfer/retire treasury stock or for any reason alter the total number of outstanding shares, or if shareholders waive their rights to dividend or profit sharing on a later date, and therefore resulting in a change of payout ratio, the Chairman shall be authorized to adjust details of the dividend payment based on shares outstanding on the dividend baseline date.
- (4) Decisions concerning the dividend baseline date and details of the cash dividend payment shall be determined at Chairman's sole discretion.
- (5) Please acknowledge.

[Motion 5]

Summary: Report on execution of treasury stock and transfer to employees. Please acknowledge.

Details:

- (1) In line with the Company's incentive program, retention scheme for top-performing personnel, and recruitment scheme for special talents, the 9th board of directors has made the resolution during its 12th meeting to buy back 20,000,000 shares at the price of NT\$13 to NT\$24.6 per share, which will be transferred to employees.
- (2) The Company began buying back treasury stocks since June 14, 2016. By August 4, 2016, the Company had bought back a total of 20,000,000 shares at an average price of NT\$18.02 per share (including fees), which represented 1.754% of outstanding shares. A total of 19,937,000 shares have been transferred to employees in July 2017, July 2018, July 2019, and July 2021, and 63,000 treasury stocks still have yet to be transferred to employees.
- (3) Given that 63,000 of the above shares had not been transferred for more than five years, the laws require them to be retired followed by a change of capital registration. For this reason, the Company set the baseline date for capital reduction at August 6, 2021 to retire 63,000 of outstanding shares and reduce share capital by NT\$630,000. Registration for the change of capital was completed on August 20, 2021.
- (4) Execution and transfer of the third buyback of the Company's shares:

Item	Notes
<b>Third buyback (2016) of company shares (completed)</b>	
Passed by the board resolution	June 13, 2016
Purposes of buyback	To match with the Company's overall incentives, the scheme for the stay of personnel with excellent performance and the scheme for the engagement of special talents, the shares will be transferred to employees.

Period of buyback	June 14, 2016 - August 4, 2016
Price range of buyback	NT\$13.00 - NT\$24.60
Types and number of shares bought back	20,000,000 common shares
Amount of buyback	NT\$ 360,463,846
Quantity bought back as a percentage of planned buyback (%)	100%
Date retired and transferred	August 20, 2021
Number of shares retired and transferred	20,000,000 shares
Accumulated holding of the Company's shares	0 shares
Cumulative holding of own shares as a percentage to total outstanding shares (%)	0%
Average price of each share for the buyback	NT\$ 18.02
Details about the transfer of the third (2017) treasury stock buyback to employees (i.e. the first transfer)	
Period of transfer	July 2017
Number of transferred shares	2,896,000 shares
Available shares for transfer	17,104,000 shares
Price of shares transferred to employees	NT\$ 18.02
Details about the transfer of the third (2018) treasury stock buyback to employees (i.e. the second transfer)	
Period of transfer	July 2018
Number of transferred shares	6,845,000 shares
Available shares for transfer	10,259,000 shares
Price of shares transferred to employees	NT\$ 18.02
Details about the transfer of the third (2019) treasury stock buyback to employees (i.e. the third transfer)	
Period of transfer	July 2019
Number of transferred shares	4,154,000 shares
Available shares for transfer	6,105,000 shares
Price of shares transferred to employees	NT\$ 18.02
Details about the transfer of the third (2021) treasury stock buyback to employees (i.e. the fourth transfer)	
Period of transfer	July 2021
Number of transferred shares	6,042,000 shares
Shares not transferred past deadline	63,000 shares
Price of shares transferred to employees	NT\$ 18.02

(5) Please acknowledge.

## Adoption Items

[Motion 1]

(Proposed by the board of directors)

Summary: To adopt the 2021 financial statements of the Company.

Details:

- (1) 2021 standalone financial statements and consolidated financial statements of the Company have been audited by the CPA Firm.
- (2) The abovementioned standalone and consolidated financial statements, along with the Company's 2021 business report, have been presented in Appendices 1-2 of this conference handbook.
- (3) Please kindly adopt.

Resolution:

[Motion 2]

(Proposed by the board of directors)

Summary: To adopt the proposal for 2021 earnings distribution of the Company.

Details:

- (1) The Company had opening unappropriated earnings of NT\$3,185,559,617; after taking into account incremental retained earnings adjustments from equity-accounted investments (+NT\$140,590,942), incremental retained earnings adjustment from disposal of equity instrument carried at fair value through other comprehensive income (+NT\$19,378,421), retained earnings reduction from remeasurement of defined benefit plan (-NT\$7,902,478), 2021 net income (+NT\$5,150,044,712), and provision for legal reserve (-NT\$530,211,160), distributable earnings for the year amounted to NT\$7,957,460,054.
- (2) Please refer to Appendix 5 of this conference handbook for the 2021 Earnings Appropriation Chart.
- (3) Please kindly adopt.

Resolution:

## Discussion Items

[Motion 1]

(Proposed by the board of directors)

Summary: Proposal for partial amendments to the Company's Articles of Incorporation. Please proceed with resolution.

Details:

- (1) According to Paragraph 1, 172-2 and Article 162 of The Company Act, the Company may specify in its Articles of Incorporation to allow shareholder meetings to be held by way or video conference or any other method approved by the central authority. A proposal is hereby raised to partially amend the Articles of Incorporation for alignment with prevailing laws and to allow more flexibility in the convention of shareholder meetings.
- (2) Please refer to Appendix 7 of this conference handbook for a comparison of changes made to the Articles of Incorporation.
- (3) Please proceed with resolution.

Resolution:

[Motion 2]

(Proposed by the board of directors)

Summary: Proposal for partial amendments to the Company's "Shareholders Conference Rules." Please proceed with resolution.

Details:

- (1) To proceed according to the revised version of "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" published by Taiwan Stock Exchange Corporation in Announcement No. Tai-Zheng-Zhi-Li-1110004250 dated March 8, 2022.
- (2) Please refer to Appendix 9 of this conference handbook for details on the draft amendment and comparison of changes to the "Shareholders Conference Rules."
- (3) Please proceed with resolution.

Resolution:

[Motion 3]

(Proposed by the board of directors)

Summary: Proposal for partial amendments to the Company's "Procedures of Acquisition or Disposal of Asset." Please proceed with resolution.

Details:

- (1) Proposal to amend "Procedures of Acquisition or Disposal of Asset" in particular regards to related party transaction management, the quality of external experts' opinions, and relaxed disclosure requirements for certain transactions to better reflect the Company's risk assessment principles.
- (2) Please refer to Appendix 10 of this conference handbook for a comparison of changes made to the Procedures of Acquisition or Disposal of Asset.
- (3) Please proceed with resolution.

Resolution:



[Motion 4]

(Proposed by the board of directors)

Summary: Proposal to remove restrictions imposed against the Company's directors for involving in competing businesses. Please proceed with resolution.

Details:

(1) Article 209 of The Company Act states that: "Directors are required to disclose material details to shareholders and obtain permission for engaging in business activities that coincide with those of the Company, whether for directors' own benefit or for the benefits of others." Should the above condition apply to any director (including corporate director and representative thereof), the Company hereby seeks shareholders' consent to remove restrictions against directors' competing business involvement according to Article 209 of The Company Act.

(2) See the following chart for new concurrent roles undertaken by Directors.

Director	Company served	Duties assumed
FY Gan	PlayNitride Display Co., Ltd	Independent Director
Chuan-Chuan Tsai	AU Optronics Corp.	Director

(3) This concurrent duty undertaken by Directors poses no effect on his duties as director in the Company; for this reason, the board seeks shareholders' consent to remove restrictions against competing business involvement according to Article 209 of the Company Act.

(4) Please proceed with resolution.

Resolution:

## Special motions

## Appendix 1

### Business Report

To all shareholders:

#### 2021 Business Report

The COVID-19 pandemic continued to impact on the global economy and environment in 2021. The resulting difficulties, slowdown and uncertainty in development proved very challenging to business management, production and shipping, and dispatching in the supply chain. Nevertheless, E Ink saw significant growth during 2021 due to our robust and highly efficient business constitution. Consolidated revenues of NT\$19.65 billion were reported by E Ink in 2021, a 9-year high. The operating margin of 15.4%, the net profit margin of 26.2%, net income after tax of NT\$5.15 billion and earnings per share (EPS) of NT\$4.53 also reached a ten-year high.

Looking back now on business development in 2021, trends such as education and working from home, and the stay-at-home economy continued to fuel growth in the eReader and eNote businesses. The contactless economy continued to accelerated the digital transformation of the retail industries as well and boosted demand for electronic shelf labels (ESL). The E Ink Board of Directors passed a resolution in 2021 to add two more production lines to the Hsinchu Plant based on future growth prospects in the e-paper industry. If we include the expansion plan announced in 2020 then a total of 4 production lines will be added to meet future demand from a growing market. At the same time, construction on a new administrative building and multi-story carpark was commenced in December 2021 in response to the expansion in production capacity and workforce.

eReaders and eNotebooks are used in smart education, smart office, digital reading and digital note-taking applications. The launch of the new E Ink Kaleido™ Plus print color technology with enhanced optical performance and larger screen sizes to choose from meant that customers can now create eReader and eNotebook products that feel even more like printed paper. The new color e-paper technology is now driving a new wave of upgrades.

In retail applications, ESL with dynamic displays can be used to display the latest price promotions both online and offline at the same time. It not only makes single-use printed price labels obsolete but also improves the operating performance of retail stores by streamlining the process for updating product pricing. Demand for color marketing from retailers saw e-paper display colors evolve from monochrome to the 3-colors (black/white/red or black/white/yellow) of E Ink Spectra™ 3000. The launch of E Ink Spectra 3100™ 4-color e-paper (black, white, red, and yellow) in 2021 provided retailers with more diverse product combinations. The trend towards new retail and the contactless economy not only accelerated the digital transformation of the retail industry but also sped up the introduction of ESL as well, providing added impetus to the growth of retail applications. Now that issues such as low-carbon and environmental sustainability are attracting more industry attention, replacing single-use printed price labels with ESL and reducing power consumption through e-paper that offer low-power consumption and continuous display with no power consumption helped retailers introduce digital solutions with ESG sustainability value.

For digital signage, an Internet-of-Things (IoT) applications, e-paper with its ultra-low

power consumption, continuous display with zero power consumption, and visibility under sunlight were combined with solar power and battery systems to realize zero-carbon operations. This environmentally sustainable product enables smart city developments without additional power consumption. E Ink will work with ecosystem partners on large form-factor and color e-paper products to develop the market for smart cities and smart healthcare applications.

E Ink is working with e-paper ecosystem partners to develop new e-paper applications that expand and strengthen the development of the e-paper industry. The “E-Paper Industry Alliance” (EPIA) platform was therefore set up in partnership with China-based panel makers BOE and Jiangxi Holitech. The platform will focus on eight key applications, namely smart education, smart office, smart retail, smart transport, smart logistics, smart factory, smart healthcare, and smart civil aviation. E Ink will work with other members through the EPIA platform to build up the overall supply chain as well as develop e-paper markets and applications. Together, we will bring about the sustained growth in the e-paper industry.

Product developments in 2021 included continued investment in R&D on color e-paper technology. Our three main color e-paper technologies - E Ink Kaleido™ Plus print color, E Ink Spectra™ 3100 4-color e-paper, and E Ink E Ink Gallery™ advanced color e-paper - are all in mass production now. These three distinct color e-paper technologies cater for the product design and market requirements of ecosystem partners in different fields and are now being used by E Ink to drive business growth. These included:

- E Ink Kaleido™ Plus offers a warm color display that can be used for playing animations or videos, making it suitable for use with text and illustrated books. It provides new digital reading and writing options for professional applications as well. The E Ink Kaleido™ Plus e-paper module was also presented with the “Paper-like” quality mark and China-mark certifications by TÜV Rheinland Greater China. It was the first e-paper display module to achieve this certification. Like conventional paper, e-paper doesn't need a backlight source. Not light is there shone directly into the viewer's eyes making it the most paper-like and eye-safe display available.
- E Ink Spectra™ 3100 4-color e-paper boasts warm colors and high saturation that can be used in ESL and marketing signage. The ability to display rich advertising content meets the need for color marketing from retailers. A flicker effect can even be enabled during transitions to offer more options for catching people's attention.
- E Ink Gallery™ is based on E Ink ACeP™ full-color e-paper display technology. The paper-like texture and full color gamut lets advanced color e-paper generate the visual effect of printed posters. Suitable applications included public signage, commercial advertising signage, and digital display media at museums and galleries.

The protection and management of R&D patents at E Ink are being strengthened to keep pace with advances in e-paper technology. In 2021, E Ink completed the Taiwan Intellectual Property Management System (TIPS) certification process. E Ink will continue to protect patents, R&D technology, and business secrets against the risk of infringement of compromise from a knowledge and risk management perspective.

E Ink has partnered with the Nuclear biotech company to work on digital microfluidics (DMF), a critical technology involved in e-paper textile manufacturing. The partnership is

aimed at diversifying applications for e-paper technologies. The DMF team at E Ink Corp., the US subsidiary of E Ink, was merged with the US subsidiary of Nuclera (Nuclera Nucleics Ltd.) in return for a stake in the company. This made E Ink the largest strategic shareholder of Nuclera. When DMF technology is combined with Nuclera biopolymer synthesis, this advanced lab-on-a-chip technology allows a user to digitally program the next day bioprinting of proteins and genes on a desktop device.

At the same time, E Ink's continued refinement of our R&D capability has garnered public recognition in the form of science and technology awards. In 2021, E Ink Kaleido™ Plus print color technology won the 30th Taiwan Excellence Silver Award; E Ink Spectra 3100™ SoC won with "2021 Computex Best Choice Award - IC & Components." The awards recognized the R&D prowess of E Ink in e-paper technology.

Continued investment in ESG and sustainability initiatives saw E Ink presented with the twin top international awards for Green Leadership and Investment in People at the 2021 Asia Responsible Enterprise Awards (AREA); E Ink also won the "TCSA 2020 Corporate Sustainability Report Award – Gold Award in IT & IC Manufacturing" for the 5th consecutive year along with "Taiwan Enterprise Sustainability Award", and "Best Practice Award - Growth through Innovation Award"; E Ink was also included in The Sustainability Yearbook 2022 for the first time by coming in the top 10% of the electronic equipment, instruments, and components industry of the S&P Global Corporate Sustainability Assessment. At the same time, E Ink was made a component of three ESG-related indices by TPEX and other institutions including the TIP Taiwan TPEX ESG Index, the TIP Customized TPEX ESG IT Elite Total Return Index, and the TIP Customized TPEX ESG Growth Total Return Index. E Ink was also recognized as one of the "Best Companies to Work for in Asia 2021" by *HR Asia*, the leading international human resources periodical, for our investment in three areas: talent development, compensation and benefits, and friendly workplace. The awards and indices all reflected the outstanding performance of E Ink in environmental sustainability, social inclusion and corporate governance aspects.

ESG sustainable development goals consider mitigating the environmental impact of climate change to be the duty of global citizens. National governments and businesses around the world are now rushing to support environmental sustainability initiatives such as Net Zero Carbon Emissions, Carbon Neutrality, or Climate Neutrality. In May 2021, E Ink became the first business in Taiwan to fulfill our statutory obligation as an energy-intensive enterprise under the Renewable Energy Development Act by using renewable energy for 10% of installed capacity at our Hsinchu plant. Three phased goals were also defined in 2021, namely reach 40% renewable energy consumption by 2025, realize the RE100 goal by using 100% renewable energy by 2030, and fulfilling our pledge on net zero carbon emissions by 2040 in support of environmentally sustainable development.

## **2022 Business Focus**

The COVID-19 pandemic will continue to challenge economic and environmental development to a certain extent in 2022. As E Ink prepares to enter its third decade of business, innovations in color e-paper technology and the creation of low-carbon green products will continue to drive continuous growth and sustainable development at the company under the strategy of "Profitability + Sustainability"; greater investment in e-paper material technology will be used to build an e-paper material supply chain; expansion of the e-paper ecosystem will support the growth of the e-paper alliance; engagement with the supply will be increased to construct and consolidate e-paper production capacity; profitability shall be enhanced

through refinement of business performance, strengthening of R&D capabilities, and optimization of business model. Sustainability practices will also be fine-tuned to boost business sustainability.

Business development will build on the solid foundations laid down by eReaders, eNotebooks, retail and IoT applications while continuing to work with partners to expand the e-paper ecosystem and invent more applications for e-paper products. A robust product R&D capacity will help meet the market demand for different applications even as we move from “E Ink on Every Smart Surface” to the goal of “We Make Surfaces Smarter.” Significant advances have been made on color, large form-factor and folding eReaders. Paperlike products such as eNotebooks with handwriting function have been launched as well and steady market growth is expected. The release of even more color products for retail applications means the ecosystem is now almost complete. Other subjective and objective factors have also contributed to continued market growth. Sales are also being progressively expanded beyond modules to include e-paper thin-film and materials as well to meet swelling demand from customers and applications. The IoT business is evolving towards both large and small form-factors. The introduction of color functionality to large signage makes it a better fit for healthcare and transport requirements. Demand from application markets such as small logistics tags and smart factories should generate sustained growth as well. E Ink’s continued expansion of e-paper applications and markets have fueled our company growth. In February 2022, E Ink was chosen as a component stock of the MSCI Global Standard Index due to our focus and commitment on the development of the e-paper market.

e-Paper technologies and materials have been the focus of technical R&D efforts. Technologies of interest include FLM film and materials, color, flex, and those needed by the ePaper ecosystem, such as wireless power supply, ePaper timing controller chip, and product reference design. R&D resources will be invested into these four main areas. A strategic roadmap for ePaper patents will also be executed with an emphasis on commercial licensing and mass production for the end-user market. At the same time, R&D on e-paper module manufacture will be stepped up to provide ecosystem partners with better reference e-paper modules and support the development of the e-paper industry. We will continue to build on the existing technical advantages of e-paper such as low power consumption and environmental friendliness. Related technologies to reduce layering, use of materials and energy consumption will continue to be refined as well. Products with even lower carbon footprints will be created by concentrating on the basics such as carbon reduction, energy efficiency, cycles and innovation in order to make a contribution to environmental sustainability.

Business management will concentrate on expansion of production capacity and establishing a material production capability to meet the demands of a growing market. In production, global production synergies will be leveraged to introduce greater automation. This will not only shorten the product production cycle and improve business efficiency but at the same time, create more competitive products and shorten their time-to-market. Procurement logistics will focus on supply chain cooperation and engagement. The flexibility and resilience of the e-paper supply chain will be reinforced as well in response to a fast-changing external environment. Business management must pay attention to key topics such as sustainability, respect for human rights, and occupational safety. Net zero carbon emissions and renewable energy targets drawn up in response to climate change are now closely observed by production. Procurement logistics is working closely with the supply chain as well.

## **Future Prospects**

External factors such as the COVID-19 pandemic, international politics, climate change, energy, human resource supply and emerging risks such as cybersecurity are all important issues that E Ink must face and deal with in the pursuit of growth and sustainability. E Ink is continuing to set management strategies based on rigorous processes and controls. Operational flexibility and performance will be maintained through keeping an open mind and efficient decision-making. The coming of the AI IoT age (AIoT) and implementation of the ESG sustainability vision will see E Ink leverage energy-efficient and eco-friendly e-paper to launch smart, ultra low-power e-paper products in conjunction with ecosystem partners. This will not only facilitate the introduction of smart devices in different sites but also reduce electricity consumption. This will in turn encourage businesses and institutions to focus on the goal of net zero carbon emissions. At the same time, E Ink will apply lean, high-performance business management to R&D and manufacturing. We will also communicate with customers and supply chain partners to ensure that e-paper is being produced and shipped on its own. This will not only lock the company into solid growth but also use e-paper technology and applications to support the development of a sustainable, smart “paper-less” environment.

Chairman: Johnson Lee      Manager: FY Gan      Lloyd Chen      Head of Accounting: Chun-Ming Li

## **Appendix 2**

### **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
E Ink Holdings Inc.

#### **Opinion**

We have audited the accompanying consolidated financial statements of E Ink Holdings Inc. and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

#### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matter**

Key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements for the year ended December 31, 2021. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2021 is stated as follows:

#### Sales Revenue - Recognition of Sales Revenue from Internet of Things Applications Products

The Group mainly sells products, such as consumer electronics and Internet of Things applications, which were affected by change in end-market demand due to the COVID-19 pandemic. The Group adjusted its product structure to respond to such changes. Among them, the proportion of sales revenue from Internet of Things applications products has increased, which consequently increased the risk associated with the occurrence of sales revenue transactions from Internet of Things applications products. Therefore, the recognition of sales revenue from Internet of Things applications products was identified as a key audit matter.

Our key audit procedures performed in respect of the above area included the following:

1. We understood and tested the design and operating effectiveness of relevant internal controls over the occurrence of sales revenue from Internet of Things applications products.
2. We sampled the sales details of Internet of Things applications products, inspected receipts signed by the customers or export declaration of overseas sales, and confirmed the receipt of payments.

#### **Other Matter**

We have also audited the financial statements of E Ink Holdings Inc. as of and for the years ended December 31, 2021 and 2020, on which we have issued an unmodified opinion.

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no



realistic alternative but to do so.

Those charged with governance, including members of the audit committee, are responsible for overseeing the Group's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial

statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine a matter that was of most significance in the audit of the consolidated financial statements for the year ended December 31, 2021, and is therefore the key audit matter. We describe this matter in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Hui-Min Huang and Chih-Ming Shao.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 11, 2022

# E INK HOLDINGS INC. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

ASSETS	2021		2020	
	Amount	%	Amount	%
<b>CURRENT ASSETS (Note 4)</b>				
Cash and cash equivalents (Note 6)	\$ 8,751,235	15	\$ 12,954,147	28
Financial assets at fair value through profit or loss (Note 7)	99,401	-	1,999,208	4
Financial assets at amortized cost (Notes 9 and 31)	2,499,045	5	3,081,651	7
Contract assets (Note 22)	35,045	-	46,900	-
Accounts receivable (Notes 10, 22 and 30)	3,247,721	6	1,389,905	3
Other receivables (Note 30)	167,782	-	141,045	-
Current tax assets (Note 24)	6,768	-	14,043	-
Inventories (Note 11)	4,142,022	7	2,040,429	5
Prepayments (Note 30)	314,252	1	228,528	1
Non-current assets held for sale (Note 12)	-	-	9,342	-
Other current assets	103	-	9,123	-
<b>Total current assets</b>	<b>19,263,374</b>	<b>34</b>	<b>21,914,321</b>	<b>48</b>
<b>NON-CURRENT ASSETS (Note 4)</b>				
Financial assets at fair value through profit or loss (Note 7)	3,429,586	6	1,589,011	4
Financial assets at fair value through other comprehensive income (Note 8)	16,799,349	30	6,929,647	15
Financial assets at amortized cost (Notes 9 and 31)	1,353,730	2	561,575	1
Investments accounted for using the equity method (Note 14)	733,642	1	130,046	-
Property, plant and equipment (Notes 15, 23, 27 and 30)	5,274,647	9	4,075,910	9
Right-of-use assets (Notes 16, 23 and 30)	1,668,669	3	1,646,709	4
Goodwill (Note 17)	6,531,427	12	6,597,276	14
Other intangible assets (Notes 17 and 23)	683,251	1	1,065,711	2
Deferred tax assets (Note 24)	804,793	1	1,131,693	3
Other non-current assets (Note 30)	467,531	1	158,734	-
<b>Total non-current assets</b>	<b>37,746,625</b>	<b>66</b>	<b>23,886,312</b>	<b>52</b>
<b>TOTAL</b>	<b>\$ 57,009,999</b>	<b>100</b>	<b>\$ 45,800,633</b>	<b>100</b>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES (Note 4)</b>				
Short-term borrowings (Notes 18 and 31)	\$ 3,766,997	7	\$ 5,394,245	12
Short-term bills payable (Note 18)	4,644,546	8	805,612	2
Financial liabilities at FVTPL (Note 7)	221,939	-	-	-
Contract liabilities (Note 22)	3,259,113	6	1,455,670	3
Notes and accounts payable (Note 30)	3,123,992	6	1,566,068	3
Other payables (Notes 19 and 27)	1,845,998	3	1,410,737	3
Current tax liabilities (Note 24)	763,772	1	685,710	1
Other current liabilities (Notes 12, 16 and 30)	213,218	-	246,779	1
<b>Total current liabilities</b>	<b>17,839,575</b>	<b>31</b>	<b>11,564,821</b>	<b>25</b>
<b>NON-CURRENT LIABILITIES (Note 4)</b>				
Long-term borrowings (Note 18)	847,340	1	63,000	-
Contract liabilities (Note 22)	-	-	351,361	1
Deferred tax liabilities (Note 24)	295,512	1	88,468	-
Lease liabilities (Notes 16 and 30)	1,632,196	3	1,617,605	4
Deferred revenue (Note 12)	588,642	1	962,015	2
Net defined benefit liabilities (Note 20)	104,357	-	100,613	-
Other non-current liabilities (Note 30)	4,492	-	7,977	-
<b>Total non-current liabilities</b>	<b>3,472,539</b>	<b>6</b>	<b>3,191,039</b>	<b>7</b>
<b>Total liabilities</b>	<b>21,312,114</b>	<b>37</b>	<b>14,755,860</b>	<b>32</b>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4, 21 and 26)</b>				
Share capital	11,404,047	20	11,404,677	25
Capital surplus	10,407,670	18	10,310,536	23
Retained earnings	11,000,202	20	8,760,870	19
Other equity	2,355,247	4	142,559	-
Treasury shares	-	-	(110,032)	-
<b>Total equity attributable to owners of the Company</b>	<b>35,167,166</b>	<b>62</b>	<b>30,508,610</b>	<b>67</b>
<b>NON-CONTROLLING INTERESTS (Note 21)</b>	<b>530,719</b>	<b>1</b>	<b>536,163</b>	<b>1</b>
<b>Total equity</b>	<b>35,697,885</b>	<b>63</b>	<b>31,044,773</b>	<b>68</b>
<b>TOTAL</b>	<b>\$ 57,009,999</b>	<b>100</b>	<b>\$ 45,800,633</b>	<b>100</b>

The accompanying notes are an integral part of the consolidated financial statements.

## E INK HOLDINGS INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 22 and 30)	\$ 19,650,564	100	\$ 15,362,855	100
OPERATING COSTS (Notes 11, 23 and 30)	<u>11,062,744</u>	<u>56</u>	<u>8,340,974</u>	<u>54</u>
GROSS PROFIT	<u>8,587,820</u>	<u>44</u>	<u>7,021,881</u>	<u>46</u>
OPERATING EXPENSES (Notes 23 and 30)				
Selling and marketing expenses	687,046	3	634,217	4
General and administrative expenses	2,228,188	11	2,073,614	14
Research and development expenses	<u>2,649,340</u>	<u>14</u>	<u>2,466,798</u>	<u>16</u>
Total operating expenses	<u>5,564,574</u>	<u>28</u>	<u>5,174,629</u>	<u>34</u>
INCOME FROM OPERATIONS	<u>3,023,246</u>	<u>16</u>	<u>1,847,252</u>	<u>12</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 23)	202,607	1	239,773	1
Royalty income (Notes 4 and 22)	1,748,077	9	1,891,237	12
Dividend income	503,514	3	283,972	2
Other income (Notes 12, 23 and 30)	484,522	2	98,243	1
Interest expenses (Notes 15 and 30)	(92,815)	-	(103,530)	(1)
Net gain (loss) on disposal of property, plant and equipment	52,950	-	(56,700)	-
Net gain (loss) on disposal of investment (Note 14)	654,252	3	877	-
Gain on disposal of non-current assets held for sale (Note 12)	-	-	367,945	2
Net gain (loss) on foreign currency exchange (Note 34)	298,144	2	(361,237)	(2)
Net loss on fair value change of financial assets and liabilities at fair value through profit or loss	(189,979)	(1)	98,169	1
Share of loss of associates (Note 14)	(101,218)	(1)	(26,205)	-
Other expenses (Notes 15 and 30)	<u>(34,389)</u>	<u>-</u>	<u>(39,843)</u>	<u>-</u>

Total non-operating income and expenses	<u>3,525,665</u>	<u>18</u>	<u>2,392,701</u>	<u>16</u>
INCOME BEFORE INCOME TAX	6,548,911	34	4,239,953	28
INCOME TAX EXPENSE (Notes 4 and 24)	<u>(1,336,863)</u>	<u>(7)</u>	<u>(566,265)</u>	<u>(4)</u>
NET INCOME FOR THE YEAR	<u>5,212,048</u>	<u>27</u>	<u>3,673,688</u>	<u>24</u>

(Continued)

## E INK HOLDINGS INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS) (Note 4)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 20)	(7,848)	-	(11,269)	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	3,934,750	20	279,409	2
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 24)	<u>(200,925)</u>	<u>(1)</u>	<u>(9,536)</u>	<u>-</u>
	<u>3,725,977</u>	<u>19</u>	<u>258,604</u>	<u>2</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	(1,386,491)	(7)	(74,422)	(1)
Unrealized gain (loss) on investments in debt instruments at fair value through other comprehensive income	(34,246)	-	-	-
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	(14,126)	-	(2,356)	-
Income tax related to items that may be reclassified subsequently to profit or loss (Note 24)	<u>7,753</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(1,427,110)</u>	<u>(7)</u>	<u>(76,778)</u>	<u>(1)</u>
Other comprehensive income (loss) for the period, net of income tax	<u>2,298,867</u>	<u>12</u>	<u>181,826</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 7,510,915</u>	<u>38</u>	<u>\$ 3,855,514</u>	<u>25</u>
NET INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 5,150,045	26	\$ 3,602,589	23

Non-controlling interests	<u>62,003</u>	<u>1</u>	<u>71,099</u>	<u>1</u>
	<u>\$ 5,212,048</u>	<u>27</u>	<u>\$ 3,673,688</u>	<u>24</u>
TOTAL COMPREHENSIVE INCOME				
ATTRIBUTABLE TO:				
Owners of the Company	\$ 7,516,616	38	\$ 3,772,223	25
Non-controlling interests	<u>(5,701)</u>	<u>-</u>	<u>83,291</u>	<u>-</u>
	<u>\$ 7,510,915</u>	<u>38</u>	<u>\$ 3,855,514</u>	<u>25</u>
	<b>2021</b>		<b>2020</b>	
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
EARNINGS PER SHARE (Note 25)				
Basic	<u>\$ 4.53</u>		<u>\$ 3.18</u>	
Diluted	<u>\$ 4.52</u>		<u>\$ 3.17</u>	

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

## E INK HOLDINGS INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020  
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company							Other Equity		Treasury Shares	Total	Non-controlling Interests	Total Equity
	Share Capital		Capital Surplus	Retained Earnings				Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at FVTOCI				
	Shares (In Thousands)	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings	Total						
BALANCE AT JANUARY 1, 2020	1,140,468	\$ 11,404,677	\$ 10,306,993	\$ 1,773,654	\$ 255,475	\$ 5,399,253	\$ 7,428,382	\$ (937,787)	\$ 907,906	\$ (110,032)	\$ 29,000,139	\$ 452,645	\$ 29,452,784
Appropriation of 2019 earnings													
Legal reserve	-	-	-	308,077	-	(308,077)	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	(154,916)	154,916	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(2,268,726)	(2,268,726)	-	-	-	(2,268,726)	-	(2,268,726)
Changes in equity of associates accounted for using the equity method	-	-	4,090	-	-	-	-	-	-	-	4,090	227	4,317
Net income for the year ended December 31, 2020	-	-	-	-	-	3,602,589	3,602,589	-	-	-	3,602,589	71,099	3,673,688
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	-	(9,129)	(9,129)	(86,656)	265,419	-	169,634	12,192	181,826
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	3,593,460	3,593,460	(86,656)	265,419	-	3,772,223	83,291	3,855,514
Share-based payments	-	-	(547)	-	-	-	-	-	-	-	(547)	-	(547)
Difference between consideration and carrying amount resulting from disposal of subsidiaries	-	-	-	-	-	(110)	(110)	1,541	-	-	1,431	-	1,431
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	7,864	7,864	-	(7,864)	-	-	-	-
BALANCE AT DECEMBER 31, 2020	1,140,468	11,404,677	10,310,536	2,081,731	100,559	6,578,580	8,760,870	(1,022,902)	1,165,461	(110,032)	30,508,610	536,163	31,044,773
Appropriation of 2020 earnings													
Legal reserve	-	-	-	360,122	-	(360,122)	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	(29,881)	29,881	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(3,062,779)	(3,062,779)	-	-	-	(3,062,779)	-	(3,062,779)
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	4,750	-	-	(1,817)	(1,817)	-	-	-	2,933	240	3,173
Other changes in capital surplus	-	-	34	-	-	-	-	-	-	-	34	-	34
Net income for the year ended December 31, 2021	-	-	-	-	-	5,150,045	5,150,045	-	-	-	5,150,045	62,003	5,212,048
Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax	-	-	-	-	-	(5,980)	(5,980)	(1,337,425)	3,709,976	-	2,366,571	(67,704)	2,298,867
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	5,144,065	5,144,065	(1,337,425)	3,709,976	-	7,516,616	(5,701)	7,510,915
Cancelation of treasury shares	(63)	(630)	(505)	-	-	-	-	-	-	1,135	-	-	-
Share-based payments	-	-	93,201	-	-	-	-	-	-	-	93,201	17	93,218
Disposal of investments in equity instruments at FVTOCI	-	-	-	-	-	159,863	159,863	-	(159,863)	-	-	-	-
Treasury shares transferred to employees	-	-	(346)	-	-	-	-	-	-	108,897	108,551	-	108,551
BALANCE AT DECEMBER 31, 2021	1,140,405	\$ 11,404,047	\$ 10,407,670	\$ 2,441,853	\$ 70,678	\$ 8,487,671	\$ 11,000,202	\$ (2,360,327)	\$ 4,715,574	\$ -	\$ 35,167,166	\$ 530,719	\$ 35,697,885

The accompanying notes are an integral part of the consolidated financial statements.



## E INK HOLDINGS INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 6,548,911	\$ 4,239,953
Adjustments for		
Depreciation expenses	585,664	693,358
Amortization expenses	478,325	479,774
Expected credit loss recognized on accounts receivable	9,769	17,642
Net gain on fair value changes of financial assets and liabilities at fair value through profit or loss	189,979	(98,169)
Interest expenses	92,815	103,530
Interest income	(202,607)	(239,773)
Dividend income	(503,514)	(283,972)
Compensation costs of share-based payments	93,218	(547)
Share of loss of associates and joint ventures accounted for using the equity method	101,218	26,205
Net loss (gain) on disposal of property, plant and equipment	(52,950)	56,700
Net gain on disposal of non-current assets held for sale	-	(367,945)
Net gain on disposal of investments	(654,252)	(877)
Impairment loss	13,863	17,859
Write-downs of inventories	(75,229)	204,198
Net unrealized loss (gain) on foreign currency exchange	(38,622)	1,945
Gain on lease modification	(2)	(90)
Other revenue	(363,579)	-
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	226,029	-
Contract assets	12,402	10,417
Accounts receivable	(1,890,337)	594,803
Other receivables	37,171	60,884
Inventories	(2,130,190)	(428,262)
Prepayments	(159,792)	(40,676)
Other current assets	8,881	(6,390)
Financial liabilities held for trading	(188,947)	(32,134)
Contract liabilities	1,483,414	(431,699)
Notes and accounts payable	1,559,252	429,799
Other payables	483,059	84,983
Other current liabilities	(55,290)	57,679

Net defined benefit liabilities	<u>(2,264)</u>	<u>1,459</u>
Cash generated from operations	5,606,395	5,150,654
Income tax paid	<u>(915,958)</u>	<u>(233,448)</u>
Net cash generated from operating activities	<u>4,690,437</u>	<u>4,917,206</u>

CASH FLOWS FROM INVESTING ACTIVITIES

(Continued)

## E INK HOLDINGS INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	2021	2020
Acquisition of financial assets at fair value through other comprehensive income	(6,718,810)	(2,221,741)
Proceeds from disposal of financial assets at fair value through other comprehensive income	408,040	42,136
Acquisition of financial assets at amortized cost	(8,058,949)	(12,568,364)
Proceeds from disposal of financial assets at amortized cost	7,665,046	16,362,525
Acquisition of financial assets at fair value through profit or loss	(3,480,122)	(2,664,667)
Proceeds from disposal of financial assets at fair value through profit or loss	3,367,552	1,739,936
Acquisition of associates	(55,470)	-
Proceeds from disposal of non-current assets held for sale	-	467,091
Acquisition of property, plant and equipment	(1,831,758)	(755,905)
Proceeds from disposal of property, plant and equipment	63,032	59,827
Acquisition of other intangible assets	(41,447)	(104,644)
Decrease in other non-current assets	37,019	26,557
Interest received	124,697	248,111
Dividends received	503,514	283,972
Deferred revenue	-	962,015
	(8,017,656)	1,876,849
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term borrowings	-	901,653
Decrease in short-term borrowings	(1,592,376)	-
Increase in short-term bills payable	3,838,934	225,725
Increase in long-term borrowings	784,340	63,000
Repayment of the principal portion of lease liabilities	(69,586)	(70,458)
Increase (decrease) in other non-current liabilities	(3,324)	1,224
Cash dividends	(3,062,779)	(2,268,726)
Proceeds from treasury shares transferred to employees	108,551	-
Interest paid	(98,034)	(108,603)
Regain overdue dividends	34	-
	(94,240)	(1,256,185)

EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>(781,453)</u>	<u>369,171</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,202,912)	5,907,041
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>12,954,147</u>	<u>7,047,106</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 8,751,235</u>	<u>\$ 12,954,147</u>

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

## INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders  
E Ink Holdings Inc.

### Opinion

We have audited the accompanying financial statements of E Ink Holdings Inc. (the "Company"), which comprise the balance sheets as of December 31, 2021 and 2020, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the financial statements for the year ended December 31, 2021. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

The key audit matter for the Company's financial statements for the year ended December 31, 2021 is stated as follows:

### Sales Revenue - Recognition of Sales Revenue from Internet of Things Applications Products

The Company mainly sells products, such as consumer electronics and Internet of Things applications, which were affected by change in end-market demand due to the COVID-19 pandemic. The Company adjusted its product structure to respond to such changes. Among them, the proportion of sales revenue from Internet of Things applications products has increased, which consequently increased the risk associated with the occurrence of sales revenue transactions from Internet of Things applications products. Therefore, the recognition of sales revenue from Internet of Things applications products was identified as a key audit matter.

Our key audit procedures performed in respect of the above area included the following:

1. We understood and tested the design and operating effectiveness of relevant internal controls over the occurrence of sales revenue from Internet of Things applications products.
2. We sampled the sales details of Internet of Things applications products, inspected receipts signed by the customers or export declaration of overseas sales, and confirmed the receipt of payments.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including members of the audit committee, are responsible for overseeing the Company's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial

statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our

audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine a matter that was of most significance in the audit of the financial statements for the year ended December 31, 2021, and is therefore the key audit matter. We describe this matter in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Hui-Min Huang and Chih-Ming Shao.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 11, 2022



# E INK HOLDINGS INC.

## BALANCE SHEETS

DECEMBER 31, 2021 AND 2020

(In Thousands of New Taiwan Dollars)

ASSETS	2021		2020	
	Amount	%	Amount	%
<b>CURRENT ASSETS (Note 4)</b>				
Cash (Note 6)	\$ 2,420,512	4	\$ 764,953	2
Accounts receivable (Notes 9 and 17)	1,799,879	3	652,362	2
Accounts receivable from related parties (Notes 9 and 25)	5,940,295	11	3,641,276	9
Inventories (Note 10)	3,331,601	6	1,687,744	4
Prepayments	90,574	-	76,991	-
Other current assets (Notes 7, 25 and 26)	<u>55,618</u>	-	<u>69,043</u>	-
Total current assets	<u>13,638,479</u>	<u>24</u>	<u>6,892,369</u>	<u>17</u>
<b>NON-CURRENT ASSETS (Note 4)</b>				
Financial assets at fair value through other comprehensive income (Notes 8 and 25)	4,769,739	8	1,648,432	4
Investments accounted for using the equity method (Notes 11 and 25)	34,983,733	61	30,362,978	73
Property, plant and equipment (Notes 12, 18, 22 and 25)	2,235,982	4	1,314,914	3
Right-of-use assets (Notes 13 and 18)	797,765	2	815,267	2
Other intangible assets (Note 18)	206,420	-	236,373	-
Deferred tax assets (Note 19)	396,160	1	353,785	1
Other non-current assets	<u>6,584</u>	-	<u>53,032</u>	-
Total non-current assets	<u>43,396,383</u>	<u>76</u>	<u>34,784,781</u>	<u>83</u>
<b>TOTAL</b>	<u><b>\$ 57,034,862</b></u>	<u><b>100</b></u>	<u><b>\$ 41,677,150</b></u>	<u><b>100</b></u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES (Note 4)</b>				
Short-term borrowings (Note 14)	\$ 2,210,200	4	\$ 3,849,400	9
Short-term bills payable (Note 14)	4,299,598	7	699,656	2
Contract liabilities (Note 17)	2,620,296	5	309,018	1
Notes and accounts payable	2,512,656	4	1,276,194	3
Accounts payable to related parties (Note 25)	6,790,439	12	2,766,901	7
Other payables (Notes 22 and 25)	942,540	2	680,615	2
Current tax liabilities (Note 19)	243,657	-	286,455	1
Receipts in advance (Note 25)	387,339	1	198,262	-
Other current liabilities (Note 13)	<u>92,041</u>	-	<u>108,530</u>	-
Total current liabilities	<u>20,098,766</u>	<u>35</u>	<u>10,175,031</u>	<u>25</u>
<b>NON-CURRENT LIABILITIES (Note 4)</b>				
Long-term borrowings (Note 14)	847,340	2	63,000	-
Contract liabilities (Note 17)	-	-	30,600	-
Lease liabilities (Note 13)	787,622	1	805,440	2
Net defined benefit liabilities (Note 15)	90,036	-	85,314	-
Other non-current liabilities (Notes 11, 19 and 25)	<u>43,932</u>	-	<u>9,155</u>	-
Total non-current liabilities	<u>1,768,930</u>	<u>3</u>	<u>993,509</u>	<u>2</u>
Total liabilities	<u>21,867,696</u>	<u>38</u>	<u>11,168,540</u>	<u>27</u>
<b>EQUITY (Notes 16 and 21)</b>				
Share capital	11,404,047	20	11,404,677	27
Capital surplus	10,407,670	18	10,310,536	25
Retained earnings	11,000,202	20	8,760,870	21
Other equity	2,355,247	4	142,559	-
Treasury shares	-	-	<u>(110,032)</u>	-
Total equity	<u>35,167,166</u>	<u>62</u>	<u>30,508,610</u>	<u>73</u>
<b>TOTAL</b>	<u><b>\$ 57,034,862</b></u>	<u><b>100</b></u>	<u><b>\$ 41,677,150</b></u>	<u><b>100</b></u>

The accompanying notes are an integral part of the financial statements.

## E INK HOLDINGS INC.

### STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 17 and 25)	\$ 18,068,580	100	\$ 14,365,868	100
OPERATING COSTS (Notes 10, 18 and 25)	<u>15,133,500</u>	<u>84</u>	<u>11,334,861</u>	<u>79</u>
GROSS PROFIT	<u>2,935,080</u>	<u>16</u>	<u>3,031,007</u>	<u>21</u>
OPERATING EXPENSES (Notes 18 and 25)				
Selling and marketing expenses	355,839	2	331,838	2
General and administrative expenses	756,032	4	644,057	5
Research and development expenses	<u>1,095,144</u>	<u>6</u>	<u>1,092,299</u>	<u>8</u>
Total operating expenses	<u>2,207,015</u>	<u>12</u>	<u>2,068,194</u>	<u>15</u>
INCOME FROM OPERATIONS	<u>728,065</u>	<u>4</u>	<u>962,813</u>	<u>6</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 18)	1,303	-	7,015	-
Royalty income (Notes 4 and 17)	239,356	2	248,072	2
Dividend income	193,790	1	85,417	-
Other income (Note 25)	50,320	-	40,330	-
Net gain (loss) on disposal of property, plant and equipment	3,081	-	(80,477)	(1)
Net loss on foreign currency exchange (Note 29)	(35,416)	-	(167,533)	(1)
Share of profit of subsidiaries and associates accounted for using the equity method	4,190,633	23	2,823,170	20
Interest expenses (Note 12)	(61,290)	-	(53,297)	-
Other expenses (Note 25)	(9,786)	-	(7,628)	-
Net loss on fair value change of financial assets and liabilities at fair value through profit or loss	(1,068)	-	(53,381)	-
Total non-operating income and expenses	<u>4,570,923</u>	<u>26</u>	<u>2,841,688</u>	<u>20</u>
INCOME BEFORE INCOME TAX	5,298,988	30	3,804,501	26

INCOME TAX EXPENSE (Notes 4 and 19)	<u>(148,943)</u>	<u>(1)</u>	<u>(201,912)</u>	<u>(1)</u>
NET INCOME FOR THE YEAR	<u>5,150,045</u>	<u>29</u>	<u>3,602,589</u>	<u>25</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Note 4)				

(Continued)

# E INK HOLDINGS INC.

## STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	%	Amount	%
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 15)	(9,878)	-	(10,494)	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	1,257,409	7	(12,534)	-
Share of other comprehensive income (loss) of subsidiaries and associates accounted for using the equity method	2,658,550	14	288,241	2
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 19)	<u>(202,085)</u>	<u>(1)</u>	<u>(8,923)</u>	<u>-</u>
	<u>3,703,996</u>	<u>20</u>	<u>256,290</u>	<u>2</u>
Items that may be reclassified subsequently to profit or loss:				
Share of other comprehensive income (loss) of subsidiaries and associates accounted for using the equity method	<u>(1,337,425)</u>	<u>(7)</u>	<u>(86,656)</u>	<u>(1)</u>
Other comprehensive income for the year, net of income tax	<u>2,366,571</u>	<u>13</u>	<u>169,634</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 7,516,616</u>	<u>42</u>	<u>\$ 3,772,223</u>	<u>26</u>
EARNINGS PER SHARE (Note 20)				
Basic	<u>\$ 4.53</u>		<u>\$ 3.18</u>	
Diluted	<u>\$ 4.52</u>		<u>\$ 3.17</u>	

The accompanying notes are an integral part of the financial statements.

(Concluded)

# E INK HOLDINGS INC.

## STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	Share Capital		Retained Earnings				Other Equity				
	Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at FVTOCI	Treasury Shares	Total
BALANCE AT JANUARY 1, 2020	1,140,468	\$ 11,404,677	\$ 10,306,993	\$ 1,773,654	\$ 255,475	\$ 5,399,253	\$ 7,428,382	\$ (937,787)	\$ 907,906	\$ (110,032)	\$ 29,000,139
Appropriation of 2019 earnings											
Legal reserve	-	-	-	308,077	-	(308,077)	-	-	-	-	-
Reversal of special reserve	-	-	-	-	(154,916)	154,916	-	-	-	-	-
Cash dividends	-	-	-	-	-	(2,268,726)	(2,268,726)	-	-	-	(2,268,726)
Changes in equity of associates accounted for using the equity method	-	-	4,090	-	-	-	-	-	-	-	4,090
Net income for the year ended December 31, 2020	-	-	-	-	-	3,602,589	3,602,589	-	-	-	3,602,589
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	-	(9,129)	(9,129)	(86,656)	265,419	-	169,634
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	3,593,460	3,593,460	(86,656)	265,419	-	3,772,223
Share-based payments	-	-	(547)	-	-	-	-	-	-	-	(547)
Difference between consideration and carrying amount resulting from disposal of subsidiaries	-	-	-	-	-	(110)	(110)	1,541	-	-	1,431
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	7,864	7,864	-	(7,864)	-	-
BALANCE AT DECEMBER 31, 2020	1,140,468	11,404,677	10,310,536	2,081,731	100,559	6,578,580	8,760,870	(1,022,902)	1,165,461	(110,032)	30,508,610
Appropriation of 2020 earnings											
Legal reserve	-	-	-	360,122	-	(360,122)	-	-	-	-	-
Special reserve	-	-	-	-	(29,881)	29,881	-	-	-	-	-
Cash dividends	-	-	-	-	-	(3,062,779)	(3,062,779)	-	-	-	(3,062,779)
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	4,750	-	-	(1,817)	(1,817)	-	-	-	2,933
Other changes in capital surplus	-	-	34	-	-	-	-	-	-	-	34
Net income for the year ended December 31, 2021	-	-	-	-	-	5,150,045	5,150,045	-	-	-	5,150,045
Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax	-	-	-	-	-	(5,980)	(5,980)	(1,337,425)	3,709,976	-	2,366,571
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	5,144,065	5,144,065	(1,337,425)	3,709,976	-	7,516,616
Cancelation of treasury shares	(63)	(630)	(505)	-	-	-	-	-	-	1,135	-
Share-based payments	-	-	93,201	-	-	-	-	-	-	-	93,201
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	159,863	159,863	-	(159,863)	-	-
Treasury shares transferred to employees	-	-	(346)	-	-	-	-	-	-	108,897	108,551
BALANCE AT DECEMBER 31, 2021	1,140,405	\$ 11,404,047	\$ 10,407,670	\$ 2,441,853	\$ 70,678	\$ 8,487,671	\$ 11,000,202	\$ (2,360,327)	\$ 4,715,574	\$ -	\$ 35,167,166

The accompanying notes are an integral part of the financial statements.

# E INK HOLDINGS INC.

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 5,298,988	\$ 3,804,501
Adjustments for		
Depreciation expenses	255,378	246,417
Amortization expenses	51,387	50,658
Expected credit loss recognized on accounts receivable	9,769	18,058
Net loss on fair value changes of financial assets and liabilities at fair value through profit or loss	1,068	53,381
Interest expenses	61,290	53,297
Interest income	(1,303)	(7,015)
Dividend income	(193,790)	(85,417)
Compensation costs of share-based payments	26,961	(547)
Share of profit of subsidiaries and associates accounted for using the equity method	(4,190,633)	(2,823,170)
Net loss (gain) on disposal of property, plant and equipment	(3,081)	80,477
Net loss (gain) on disposal of investments	(547)	2,349
Write-downs of inventories	8,975	43,411
Net unrealized gain on foreign currency exchange	(44,811)	(29,160)
Gain on lease modifications	(2)	-
Royalty income	(239,356)	(248,072)
Changes in operating assets and liabilities		
Accounts receivable	(1,152,985)	354,254
Accounts receivable from related parties	(2,255,634)	(986,127)
Inventories	(1,652,832)	(67,499)
Prepayments	(15,561)	(7,517)
Other current assets	6,528	618
Contract liabilities	2,520,034	370,192
Notes and accounts payable	1,240,845	381,158
Accounts payable to related parties	4,023,575	251,510
Other payables	220,604	45,802
Receipts in advance	189,077	64,872
Other current liabilities	(21,629)	41,052
Net defined benefit liabilities	(5,156)	(2,121)
Cash generated from operations	4,137,159	1,605,362
Income tax paid	(227,401)	(31,724)

Net cash generated from operating activities	<u>3,909,758</u>	<u>1,573,638</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income	(1,884,252)	(299,550)
Proceeds from disposal of financial assets at fair value through other comprehensive income	20,354	-
Acquisition of financial assets at amortized cost	(34,665)	(34,585)
	(Continued)	

## E INK HOLDINGS INC.

### STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	2021	2020
Proceeds from disposal of financial assets at amortized cost	34,585	34,666
Acquisition of financial assets at fair value through profit or loss	(10,497)	-
Proceeds from sale of financial assets at fair value through profit or loss	16,170	-
Acquisition of subsidiaries	-	(285,245)
Acquisition of property, plant and equipment	(1,112,370)	(263,621)
Proceeds from disposal of property, plant and equipment	3,124	11,571
Decrease in refundable deposits	46,450	-
Increase in other receivables from related parties	(8,993)	(1,326)
Acquisition of other intangible assets	(14,638)	(33,319)
Increase in other non-current assets	-	(59)
Interest received	1,281	7,151
Dividends received	<u>979,942</u>	<u>85,417</u>
Net cash used in investing activities	<u>(1,963,509)</u>	<u>(778,900)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term borrowings	-	907,900
Decrease in short-term borrowings	(1,635,350)	-
Increase in short-term bills payable	3,599,942	319,737
Increase in long-term borrowings	784,340	63,000
Repayment of the principal portion of lease liabilities	(23,443)	(20,927)
Increase (decrease) in other non-current liabilities	1	(390)
Cash dividends	(3,062,779)	(2,268,726)
Proceeds from treasury shares transferred to employees	108,551	-
Interest paid	(61,986)	(51,820)
Return of overdue uncollected dividends	<u>34</u>	<u>-</u>
Net cash used in financing activities	<u>(290,690)</u>	<u>(1,051,226)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,655,559</b>	<b>(256,488)</b>
<b>CASH AT THE BEGINNING OF THE YEAR</b>	<b><u>764,953</u></b>	<b><u>1,021,441</u></b>
<b>CASH AT THE END OF THE YEAR</b>	<b><u>\$ 2,420,512</u></b>	<b><u>\$ 764,953</u></b>

The accompanying notes are an integral part of the financial statements. (Concluded)



## Appendix 3

### Audit Committee's Review Report

We express our consent on the standalone and consolidated financial statements compiled by the Board of Directors covering the year ended on December 31, 2021. These financial statements were audited by Hui-Min Huang and Chih-Ming Shao, CPAs of Deloitte Taiwan, for which they have issued an Independent Auditor's Report.

The Board of Directors also presented the 2021 Business Report and Proposal for Distribution of Income of the year for our review. In our opinion, these reports and statements were fairly presented in accordance with applicable rules of The Company Act. We hereby present the aforementioned statements and report for the shareholder meeting pursuant to Article 14-4 of the Securities and Exchange Act and Article 219 of The Company Act. Please acknowledge.

For

2022 Annual General Meeting

E Ink Holdings Inc.

Audit Committee Convener:  
Po-Young Chu

March 11, 2022

## Appendix 4

### E Ink Holdings Inc.

#### Third Share Repurchase and Employee Incentive Plan

Adoption date: June 13, 2016  
First amendment: August 9, 2016  
Second amendment: May 8, 2019

Article 1 This Share Repurchase and Employee Incentive Plan (the "Plan") has been established in accordance with Subparagraph 1, Paragraph 1, Article 28-2 of Securities and Exchange Act, Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies by Financial Supervisory Commission, and other related laws in order to provide incentives for project performance, recruitment of professional talents, and retention of top-performing employees. On June 13, 2016, the Board of Directors resolved to repurchase the Company's shares and transfer to the above-mentioned employees; except otherwise regulated in relevant laws, all related transactions shall proceed according to this Plan.

(Approval for Transferee and Number of Shares)

Article 2 Details such as eligible projects, project participants, and professional talents pursuant to the preceding article and the number of shares entitled to subscribe shall be submitted to the Compensation Committee for review and then submitted to the Board of Directors for approval. The eligible transferees, as described above, may include employees of the Company or any of its domestic or overseas Subsidiaries ("Subsidiaries" shall have the meaning given in item 1, (2) in Correspondence No. Financial-Supervisory-Securities-I-0960073134 issued by FSC on December 26, 2007)

(Type of Shares to Be Transferred, Rights and Limitations of the Rights)

Article 3 The shares to be transferred to employees (the "Shares") shall be common shares of the Company. Unless otherwise provided for in the Plan and relevant laws, the Shares bear identical rights and obligations as other outstanding common shares of the Company.

(Transfer Period)

Article 4 The shares repurchased by the Company can be transferred to employees in accordance with the Plan over multiple installments within five years from the date of buyback.

(Rules of Allotment and Procedures of Transfer)

Article 5 An employee shall be deemed to have waived the right for the number of shares such employee is entitled to subscribe under Article 2 of the resolution of Board of Directors if subscription or payment is not made during the set period for subscription or payment. For Shares not that are subscribed, the Chairman of the Board is authorized to engage other eligible personnel to subscribe.

(Procedures for Transfer)

Article 6 The procedures for transfer of repurchased Shares are as follows:

1. The Company shall make announcement and report and repurchase the Shares within the execution period in accordance with the resolution of the Board of Directors.
2. The Chairman of the Board is authorized to decide and announce the baseline date of subscription, the subscription and payment period, the rights and limitations of shares, etc. according to this Plan.
3. The Company shall calculate the number of Shares actually subscribed and paid, and execute and register transfer for these Shares.

(Transfer Price per Share)

Article 7 The transfer price of the Shares shall be determined as the average of the actual share repurchase price. If the number of the Company's outstanding common shares increases or decreases prior to transfer, the transfer price may be adjusted proportionally to the actual number of outstanding shares at that time (rounded to the second decimal place).

Adjustment formula of the transfer price:

Adjusted transfer price = average of the actual share repurchase price × (number of outstanding common shares at the time repurchase is reported ÷ number of outstanding common shares prior to transfer of repurchased Shares to employees.

(Rights and Obligations of Shares after Transfer)

Article 8 After Shares have been transferred to employees and such transfer has been registered, the rights and obligations shall be identical with those attached to common shares unless otherwise provided.

Article 9 The Company shall transfer all of the repurchased Shares to employees within five years from the last date of actual repurchase period. Shares that are not transferred after expiry of the foregoing time limit shall be deemed as unissued and the Company shall register retirement of such shares accordingly.

Article 10 The Plan shall take effect upon adoption of the resolution by the Board of Directors and may be amended subject to Board of Directors' resolution.

Article 11 After the repurchase period resolved by the Board of Directors expires or the Plan is fully carried out (whichever the earlier), the Plan shall be reported in the most recent Shareholders' meeting. The same requirement applies for subsequent amendments.

## Appendix 5

### E Ink Holdings Inc.

#### Table for the Distribution of Earnings in 2021

Unit: NTD

Item	Amount	Remarks
<b>Earnings undistributed at the period-beginning</b>	3,185,559,617	
Net income of the current year	5,150,044,712	
Adjusted retained earnings for investment due to the use of the equity approach	140,590,942	
Remeasurement of defined benefit plan recognized in retained earnings	(7,902,478)	
Disposal of investments in equity instruments at fair value through other comprehensive income	19,378,421	
<b>Sum of current net income and non-net income items added to current unappropriated earnings</b>	5,302,111,597	
Statutory surplus reserve set aside (10%)	(530,211,160)	
<b>Distributable earnings for the year</b>	7,957,460,054	
Items of distribution		
Cash dividends and bonuses for shareholders	(3,649,295,088)	NT\$3.20 per share
<b>Closing unappropriated earnings</b>	4,308,164,966	

Chairman: Johnson Lee

Manager: FY Gan

Lloyd Chen

Head of Accounting: Chun-Ming Li

## Appendix 6

# E Ink Holdings Inc. Articles of Incorporation

(Before Amendment)

## Chapter 1 General Provisions

Article 1: This Company is incorporated according to the provisions of the Company Act, and named as E INK HOLDINGS INC.

Article 2: Businesses of the Company include the following:

- (1) CC01080 Electronics Components Manufacturing
- (2) F119010 Wholesale of Electronic Materials (outside the designated zone only)
- (3) F219010 Retail Sale of Electronic Materials (outside the designated zone only)
- (4) F113050 Wholesale of Computers and Clerical Machinery Equipment (outside the designated zone only)
- (5) F213030 Retail Sale of Computers and Clerical Machinery Equipment (outside the designated zone only)
- (6) F118010 Wholesale of Computer Software (outside the designated zone only)
- (7) F218010 Retail Sale of Computer Software (outside the designated zone only)
- (8) I301010 Software Design Services (outside the designated zone only)
- (9) CC01100 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing
- (10) F113070 Wholesale of Telecom Instruments (outside the designated zone only)
- (11) F213060 Retail Sale of Telecommunication Apparatus (outside the designated zone only)
- (12) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval (outside the designated zone only)
- (13) F401010 International Trade
- (14) C801010 Basic Chemical Industrial
- (15) C801030 Precision Chemical Material Manufacturing
- (16) C801990 Other Chemical Materials Manufacturing
- (17) C802990 Other Chemical Products Manufacturing
- (18) C801100 Synthetic Resin and Plastic Manufacturing
- (19) F107200 Wholesale of Chemical Feedstock (outside the designated zone only)
- (20) F107990 Wholesale of Other Chemical Products (outside the designated zone only)
- (21) C805990 Other Plastic Products Manufacturing  
Research, development, production, manufacturing, and sale of the following products:
  - (i) Thin film transistor liquid crystal displays (TFT LCD).
  - (ii) TFT-LCD television, monitoring systems, and components of the aforesaid systems (outside the designated zone only).
  - (iii) Chemical resin and liquid polymer resin for electronic materials.
  - (iv) EPD (Electronic Paper Display) modules and parts.The Company also imports and exports products that are relevant to its business activities.

Article 3: The Company may provide guarantees to third parties.

The total amount of external investment of the Company shall not be restricted to 40% of paid-in capital.

Article 4: The head office of the Company is located in Hsinchu Science Park. When necessary, branches can be established at home and abroad with the resolution of the Board of Directors and the approval of competent authorities.

## **Chapter 2 Shares**

Article 5: Authorized capital of the Company is determined at NT\$20 billion, which is divided into 2 billion shares or NT\$10 per share.

The Board of Directors is authorized to issue the aforesaid shares over several issues. NT\$1.4 billion of the capital mentioned in Paragraph 1 shall be retained for issuing share subscription warrants for employees, which will be divided into 140 million shares of NT\$10 per share, and issued over several issues according to the resolutions of the Board of Directors.

Article 5-1: The Company may issue share subscription warrants for employees at a subscription price lower than the market price, and subject to compliance with Article 56-1 and Article 76 of Regulations Governing the Offering and Issuance of Securities by Securities Issuer and resolution in a shareholders' meeting.

Article 5-2: The Company shall transfer the buyback shares to employees at a price lower than the average buyback price and handle the transfer according to Article 10-1 and Article 13 of the Measures for Listed Companies or OTC Companies to Buy back Their Own Shares after decision is made on the latest shareholders' meeting.

Article 5-3: (Deleted)

Article 5-4: (Deleted)

Article 5-5: (Deleted)

Article 5-6: (Deleted)

Article 6: Shares of the Company are issued to registered owners. Share certificates shall be signed or sealed by 3 or more directors and issued after being certified according to law. Shares of the Company may be issued in non-tangible form without printing physical share certificates, and registered with the centralized securities depository.

Article 7: Unless otherwise specified by laws and regulations, all affairs relating to the Company's shares shall be handled according to "Regulations Governing the Administration of Shareholder Services of Public Companies."

## **Chapter 3 Shareholders' meeting**

Article 8: All transfer of shares shall be suspended within 60 days before the commencement of each general shareholders' meeting, within 30 days before the commencement of shareholders' interim meeting, and within 5 days before the baseline date for distribution of dividends, profit-sharing, or other interests.

Article 9: Shareholders' meeting includes general meeting and interim meeting. The general meeting is convened once a year by the Board of Directors according to law within 6 months after the end of each fiscal year. Interim meeting can be convened according to when necessary. The Shareholders Conference Rules shall be followed for discussions.

The Company is required to notify all shareholders with detailed agenda at least 30 days before convention of general meeting, and at least 15 days before convention of interim shareholder meeting.

Article 10: If a shareholder is unable to attend the shareholder meeting in person, a proxy can be appointed by completing the Company's proxy form and by specifying the scope of delegated authority. The proxy form has to be effected with authorized signature

or seal. Unless otherwise regulated in Article 177 of The Company Act, delegation of proxy attendees by shareholders shall comply with "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies."

Article 11: Except those with no voting right according to Article 179 or Article 197 of the Company Act, each share has one voting right for all shareholders of the Company.

Article 12: Except otherwise regulated by The Company Act, a shareholder meeting resolution is passed when more than 50% of all outstanding shares are represented in the meeting, and that the motion is voted in favor by more than 50% of all voting rights represented at the meeting.

## **Chapter 4 Directors and the Audit Committee**

Article 13: The Company shall have 7 to 11 directors who are elected using the candidate nomination system from the list of director candidates presented during the shareholder meeting. Directors shall serve a term of 3 years, and is renewable if re-elected.

Among the aforesaid directors, the number of independent directors shall be at least 3 and shall not be less than 1/5 of total director seats. Restrictions concerning independent directors' eligibility, shareholding, concurrent employment, nomination, method of election and all other compliance issues are governed by relevant laws of the securities authority.

Directors' aggregate shareholding percentage is subject to comply with rules of the securities authority.

Article 13-1: The Company shall assemble an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee is responsible for carrying out duties of the supervisor, as specified in The Company Act, Securities and Exchange Act, and other relevant regulations.

The Audit Committee shall be assembled by all active independent directors.

Article 14: The Board of Directors shall be organized by directors. The Board of Directors shall appoint one chairman during a board meeting with more than two-thirds of directors present, and with the support of more than half of all attending directors. A vice chairman may also be appointed among the directors to assist the chairman's duties. The chairman comprehensively handles all affairs on behalf of the Company. If the chairman asks for a leave or cannot perform the duties due to some reasons and a vice chairman is available, the vice chairman can act on his/her behalf; if there is no vice chairman and the chairman designates no agent, directors can select one among them to perform acting duty.

Article 15: The board meeting shall be convened at least once every quarter. Interim board meeting can be convened whenever deemed necessary. When any director cannot attend the board meeting, he/she may issue a letter of authorization which states the purpose of the meeting and the scope of authorization, to delegate other director to attend the meeting on his/her behalf.

The aforesaid agent can only accept the delegation of one director.

When convening a board meeting, the purpose shall be stated and directors shall be notified 7 days in advance. However, when there is an emergency, it can be convened at any time. Notification about the convening of a board meeting shall be given by fax or e-mail.

The Company's board meetings shall proceed according to the Company's "Board of Directors Conference Rules."

Article 16: Compensation may be paid to the directors no matter the Company gained profit or not. The Board of Directors shall be authorized to determine their

compensation according to their participation in the operation of the Company and their contribution in reference to the amounts paid by peers; when the Company makes profits, remuneration shall be distributed according to Article 19.

Article 16-1: The Company shall buy liability insurances for directors and managers to cover their term of office, depending on their scope of services.

## **Chapter 5 Managers**

Article 17: The Company shall have managers, whose title, appointment, dismissal, and compensation shall be handled according to provisions of the Company Act.

## **Chapter 6 Accounting**

Article 18: The fiscal year of the Company is from January 1 of each year to December 31. At the end of each fiscal year, the Board of Directors shall issue (1) a business report, (2) the financial statements, (3) the proposal on the distribution of earnings or the provision for loss and other documents, submit them to the Audit Committee for review 30 days before the general shareholders' meeting, and request the general shareholders' meeting to acknowledge them according to the legal procedures.

Article 19: If the Company gains profits in the year, it shall set aside at least 1% of the profits as remuneration for employees and set aside not more than 1% of the profits as remuneration for directors. If there is an accumulated deficit, appropriate for covering the loss first.

Remuneration to the Directors shall be made in cash. Remuneration to employees may be made in cash or shares. Employees of subsidiaries who meet specific conditions are entitled to the remuneration. Such condition shall be determined by the Board under authorization. The ratio of remuneration to the Directors, the ratio of remunerations to employees and method of payment shall be determined by the Board in a session with the presence of at least two-thirds of the Directors and a simple majority of the Directors in session, and report in a Shareholders Meeting.

Remunerations to employees and the Directors shall be calculated on the basis of the earnings of the current year (the balance of earnings before taxation and before the deduction of remunerations to employees and Directors) net of accumulated losses.

Article 19-1: The Company is engaged in the emerging technological industry, and adopts a residual dividend policy to accommodate the Company's long-term financial planning, and to seek for sustainable operation.

Annual surpluses concluded by the Company in a given year are first subject to taxation and reimbursement of previous losses, followed by a 10% provision for legal reserve and provision or reversal of special reserve according to applicable rules. The Board of Directors may then decide to retain part of the residual balance based on the Company's future capital budgets and funding requirements, and shall allocate at least 50% of the balances that remain as shareholders' dividends and profit-sharing.

Unappropriated earnings accumulated in previous years may be added to current earnings and distributed in the manner described above.

Dividends to the shareholders may be paid in cash or in shares, provided that cash dividends shall not fall below 10% of the total dividend payable to the shareholders of the year.

Appropriation of legal reserve as mentioned in Paragraph 2 could be waived if



the amount is equivalent to the paid-in capital.

Article 19-2: Any cash distribution of earnings, whether in whole or in part, shall be resolved in a board meeting with more than two-thirds of the board present, voted in favor by more than half of attending directors, and reported in the upcoming shareholder meeting. The Company may capitalize all or part of the earnings into paid-in capital against issuance of new shares, subject to resolution in a shareholders' meeting.

## **Chapter 7 Supplementary provisions**

Article 20: Matters not covered herein shall be handled according to the provisions of the Company Act.

Article 21: The Articles of Association was concluded on June 1, 1992.

The first amendment was made on December 23, 1993.

The second amendment was made on May 31, 1994.

The third amendment was made on April 12, 1995.

The fourth amendment was made on November 19, 1996.

The fifth amendment was made on April 12, 1997.

The sixth amendment was made on June 2, 1998.

The seventh amendment was made on July 28, 1999.

The eighth amendment was made on May 12, 2000.

The ninth amendment was made on November 2, 2001.

The tenth amendment was made on June 20, 2002.

The eleventh amendment was made on June 24, 2003.

The twelfth amendment was made on June 21, 2004.

The thirteenth amendment was made on June 30, 2006.

The fourteenth amendment was made on June 15, 2007.

The fifteenth amendment was made on June 19, 2009.

The sixteenth amendment was made on November 18, 2009.

The seventeenth amendment was made on June 18, 2010.

The eighteenth amendment was made on June 24, 2011.

The nineteenth amendment was made on June 18, 2012.

The twentieth amendment was made on May 3, 2013.

The twenty-first amendment was made on June 18, 2014.

The twenty-second amendment was made on June 9, 2015.

The twenty-third amendment was made on June 22, 2016.

The twenty-fourth amendment was made on June 18, 2019.

The twenty-fifth amendment was made on June 18, 2020.

The twenty-sixth amendment was made on July 7, 2021.

## Appendix 7

# E Ink Holdings Inc. Articles of Incorporation

(Draft amendment)

## Chapter 1 General Provisions

Article 1: This Company is incorporated according to the provisions of the Company Act, and named as E INK HOLDINGS INC.

Article 2: Businesses of the Company include the following:

- (1) CC01080 Electronics Components Manufacturing
- (2) F119010 Wholesale of Electronic Materials (outside the designated zone only)
- (3) F219010 Retail Sale of Electronic Materials (outside the designated zone only)
- (4) F113050 Wholesale of Computers and Clerical Machinery Equipment (outside the designated zone only)
- (5) F213030 Retail Sale of Computers and Clerical Machinery Equipment (outside the designated zone only)
- (6) F118010 Wholesale of Computer Software (outside the designated zone only)
- (7) F218010 Retail Sale of Computer Software (outside the designated zone only)
- (8) I301010 Software Design Services (outside the designated zone only)
- (9) CC01100 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing
- (10) F113070 Wholesale of Telecom Instruments (outside the designated zone only)
- (11) F213060 Retail Sale of Telecommunication Apparatus (outside the designated zone only)
- (12) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval (outside the designated zone only)
- (13) F401010 International Trade
- (14) C801010 Basic Chemical Industrial
- (15) C801030 Precision Chemical Material Manufacturing
- (16) C801990 Other Chemical Materials Manufacturing
- (17) C802990 Other Chemical Products Manufacturing
- (18) C801100 Synthetic Resin and Plastic Manufacturing
- (19) F107200 Wholesale of Chemical Feedstock (outside the designated zone only)
- (20) F107990 Wholesale of Other Chemical Products (outside the designated zone only)
- (21) C805990 Other Plastic Products Manufacturing  
Research, development, production, manufacturing, and sale of the following products:
  - (i) Thin film transistor liquid crystal displays (TFT LCD).
  - (ii) TFT-LCD television, monitoring systems, and components of the aforesaid systems (outside the designated zone only).
  - (iii) Chemical resin and liquid polymer resin for electronic materials.
  - (iv) EPD (Electronic Paper Display) modules and parts.The Company also imports and exports products that are relevant to its business activities.

Article 3: The Company may provide guarantees to third parties.

The total amount of external investment of the Company shall not be restricted to

40% of paid-in capital.

Article 4: The head office of the Company is located in Hsinchu Science Park. When necessary, branches can be established at home and abroad with the resolution of the Board of Directors and the approval of competent authorities.

## Chapter 2 Shares

Article 5: Authorized capital of the Company is determined at NT\$20 billion, which is divided into 2 billion shares or NT\$10 per share.

The Board of Directors is authorized to issue the aforesaid shares over several issues. NT\$1.4 billion of the capital mentioned in Paragraph 1 shall be retained for issuing share subscription warrants for employees, which will be divided into 140 million shares of NT\$10 per share, and issued over several issues according to the resolutions of the Board of Directors.

Article 5-1: The Company may issue share subscription warrants for employees at a subscription price lower than the market price, and subject to compliance with Article 56-1 and Article 76 of Regulations Governing the Offering and Issuance of Securities by Securities Issuer and resolution in a shareholders' meeting.

Article 5-2: The Company shall transfer the buyback shares to employees at a price lower than the average buyback price and handle the transfer according to Article 10-1 and Article 13 of the Measures for Listed Companies or OTC Companies to Buy back Their Own Shares after decision is made on the latest shareholders' meeting.

Article 5-3: (Deleted)

Article 5-4: (Deleted)

Article 5-5: (Deleted)

Article 5-6: (Deleted)

Article 6: Shares of the Company are issued to registered owners. Share certificates shall be signed or sealed by directors who are representative of the Company and issued after being certified by the securities authority or by any bank that is legally eligible to serve as certifier. Shares of the Company may be issued in non-tangible form, subject to registration with the centralized securities depository.

Article 7: Unless otherwise specified by laws and regulations, all affairs relating to the Company's shares shall be handled according to "Regulations Governing the Administration of Shareholder Services of Public Companies."

## Chapter 3 Shareholders' meeting

Article 8: All transfer of shares shall be suspended within 60 days before the commencement of each general shareholders' meeting, within 30 days before the commencement of shareholders' interim meeting, and within 5 days before the baseline date for distribution of dividends, profit-sharing, or other interests.

Article 9: Shareholders' meeting includes general meeting and interim meeting. The general meeting is convened once a year by the Board of Directors according to law within 6 months after the end of each fiscal year. Interim meeting can be convened according to when necessary. The Shareholders Conference Rules shall be followed for discussions.

The Company is required to notify all shareholders with detailed agenda at least 30 days before convention of general meeting, and at least 15 days before convention of interim shareholder meeting.

Article 9-1: The Company may convene shareholder meetings by way of video conference or using other methods announced by the central authority.

Article 10: If a shareholder is unable to attend the shareholder meeting in person, a proxy can

be appointed by completing the Company's proxy form and by specifying the scope of delegated authority. The proxy form has to be effected with authorized signature or seal. Unless otherwise regulated in Article 177 of The Company Act, delegation of proxy attendees by shareholders shall comply with "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies."

Article 11: Except those with no voting right according to Article 179 or Article 197 of the Company Act, each share has one voting right for all shareholders of the Company.

Article 12: Except otherwise regulated by The Company Act, a shareholder meeting resolution is passed when more than 50% of all outstanding shares are represented in the meeting, and that the motion is voted in favor by more than 50% of all voting rights represented at the meeting.

## **Chapter 4 Directors and the Audit Committee**

Article 13: The Company shall have 7 to 11 directors who are elected using the candidate nomination system from the list of director candidates presented during the shareholder meeting. Directors shall serve a term of 3 years, and is renewable if re-elected.

Among the aforesaid directors, the number of independent directors shall be at least 3 and shall not be less than 1/5 of total director seats. Restrictions concerning independent directors' eligibility, shareholding, concurrent employment, nomination, method of election and all other compliance issues are governed by relevant laws of the securities authority.

Directors' aggregate shareholding percentage is subject to comply with rules of the securities authority.

Article 13-1: The Company shall assemble an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee is responsible for carrying out duties of the supervisor, as specified in The Company Act, Securities and Exchange Act, and other relevant regulations.

The Audit Committee shall be assembled by all active independent directors.

Article 14: The Board of Directors shall be organized by directors. The Board of Directors shall appoint one chairman during a board meeting with more than two-thirds of directors present, and with the support of more than half of all attending directors. A vice chairman may also be appointed among the directors to assist the chairman's duties. The chairman comprehensively handles all affairs on behalf of the Company. If the chairman asks for a leave or cannot perform the duties due to some reasons and a vice chairman is available, the vice chairman can act on his/her behalf; if there is no vice chairman and the chairman designates no agent, directors can select one among them to perform acting duty.

Article 15: The board meeting shall be convened at least once every quarter. Interim board meeting can be convened whenever deemed necessary. When any director cannot attend the board meeting, he/she may issue a letter of authorization which states the purpose of the meeting and the scope of authorization, to delegate other director to attend the meeting on his/her behalf.

The aforesaid agent can only accept the delegation of one director.

When convening a board meeting, the purpose shall be stated and directors shall be notified 7 days in advance. However, when there is an emergency, it can be convened at any time. Notification about the convening of a board meeting shall be given by fax or e-mail.

The Company's board meetings shall proceed according to the Company's "Board of Directors Conference Rules."

Article 16: Compensation may be paid to the directors no matter the Company gained profit or not. The Board of Directors shall be authorized to determine their compensation according to their participation in the operation of the Company and their contribution in reference to the amounts paid by peers; when the Company makes profits, remuneration shall be distributed according to Article 19.

Article 16-1: The Company shall buy liability insurances for directors and managers to cover their term of office, depending on their scope of services.

## **Chapter 5 Managers**

Article 17: The Company shall have managers, whose title, appointment, dismissal, and compensation shall be handled according to provisions of the Company Act.

## **Chapter 6 Accounting**

Article 18: The fiscal year of the Company is from January 1 of each year to December 31. At the end of each fiscal year, the Board of Directors shall issue (1) a business report, (2) the financial statements, (3) the proposal on the distribution of earnings or the provision for loss and other documents, submit them to the Audit Committee for review 30 days before the general shareholders' meeting, and request the general shareholders' meeting to acknowledge them according to the legal procedures.

Article 19: If the Company gains profits in the year, it shall set aside at least 1% of the profits as remuneration for employees and set aside not more than 1% of the profits as remuneration for directors. If there is an accumulated deficit, appropriate for covering the loss first.

Remuneration to the Directors shall be made in cash. Remuneration to employees may be made in cash or shares. Employees of subsidiaries who meet specific conditions are entitled to the remuneration. Such condition shall be determined by the Board under authorization. The ratio of remuneration to the Directors, the ratio of remunerations to employees and method of payment shall be determined by the Board in a session with the presence of at least two-thirds of the Directors and a simple majority of the Directors in session, and report in a Shareholders Meeting.

Remunerations to employees and the Directors shall be calculated on the basis of the earnings of the current year (the balance of earnings before taxation and before the deduction of remunerations to employees and Directors) net of accumulated losses.

Article 19-1: The Company is engaged in the emerging technological industry, and adopts a residual dividend policy to accommodate the Company's long-term financial planning, and to seek for sustainable operation.

Annual surpluses concluded by the Company in a given year are first subject to taxation and reimbursement of previous losses, followed by a 10% provision for legal reserve and provision or reversal of special reserve according to applicable rules. The Board of Directors may then decide to retain part of the residual balance based on the Company's future capital budgets and funding requirements, and shall allocate at least 50% of the balances that remain as shareholders' dividends and profit-sharing.

Unappropriated earnings accumulated in previous years may be added to current earnings and distributed in the manner described above.

Dividends to the shareholders may be paid in cash or in shares, provided that cash dividends shall not fall below 10% of the total dividend payable to the

shareholders of the year.

Appropriation of legal reserve as mentioned in Paragraph 2 could be waived if the amount is equivalent to the paid-in capital.

Article 19-2: Any cash distribution of earnings, whether in whole or in part, shall be resolved in a board meeting with more than two-thirds of the board present, voted in favor by more than half of attending directors, and reported in the upcoming shareholder meeting. The Company may capitalize all or part of the earnings into paid-in capital against issuance of new shares, subject to resolution in a shareholders' meeting.

## **Chapter 7 Supplementary provisions**

Article 20: Matters not covered herein shall be handled according to the provisions of the Company Act.

Article 21: The Articles of Association was concluded on June 1, 1992.

The first amendment was made on December 23, 1993.

The second amendment was made on May 31, 1994.

The third amendment was made on April 12, 1995.

The fourth amendment was made on November 19, 1996.

The fifth amendment was made on April 12, 1997.

The sixth amendment was made on June 2, 1998.

The seventh amendment was made on July 28, 1999.

The eighth amendment was made on May 12, 2000.

The ninth amendment was made on November 2, 2001.

The tenth amendment was made on June 20, 2002.

The eleventh amendment was made on June 24, 2003.

The twelfth amendment was made on June 21, 2004.

The thirteenth amendment was made on June 30, 2006.

The fourteenth amendment was made on June 15, 2007.

The fifteenth amendment was made on June 19, 2009.

The sixteenth amendment was made on November 18, 2009.

The seventeenth amendment was made on June 18, 2010.

The eighteenth amendment was made on June 24, 2011.

The nineteenth amendment was made on June 18, 2012.

The twentieth amendment was made on May 3, 2013.

The twenty-first amendment was made on June 18, 2014.

The twenty-second amendment was made on June 9, 2015.

The twenty-third amendment was made on June 22, 2016.

The twenty-fourth amendment was made on June 18, 2019.

The twenty-fifth amendment was made on June 18, 2020.

The twenty-sixth amendment was made on July 7, 2021.

The twenty-seventh amendment was made on June 22, 2022.

E Ink Holdings Inc.

Johnson Lee  
Chairman

## E Ink Holdings Inc.

### Comparison of Amendments to the Articles of Incorporation

Clause	After amendment	Before amendment	Notes
Article 6	Shares of the Company are issued to registered owners. Share certificates shall be signed or sealed <u>by directors who are representative of the Company and issued after being certified by the securities authority or by any bank that is legally eligible to serve as certifier. Shares of the Company may be issued in non-tangible form, subject to registration with the centralized securities depository.</u>	Shares of the Company <u>are</u> issued to registered owners. Share certificates shall be signed or sealed by <u>3 or more directors</u> and issued after being certified <u>according to law</u> . Shares of the Company <u>may be issued in non-tangible form without printing physical share certificates, and</u> registered with the centralized securities depository.	Amended according to the latest revisions to Article 162 of The Company Act
Article 9-1	<u>The Company may convene shareholder meetings by way of video conference or using other methods announced by the central authority.</u>	(This clause is added anew)	1. This Article is added anew. 2. Amended according to Paragraph 1, Article 172 of The Company Act to allow more flexibility for the convention of shareholders' meetings.
Article 21	The Articles of Association was concluded on June 1, 1992. The first amendment was made on December 23, 1993. The second amendment was made on May 31, 1994. The third amendment was made on April 12, 1995. The fourth amendment was made on November 19, 1996. The fifth amendment was made on April 12, 1997. The sixth amendment was made on June 2, 1998. The seventh amendment was made on July 28, 1999. The eighth amendment was made on May 12, 2000. The ninth amendment was made on November 2, 2001. The tenth amendment was made on June 20, 2002. The eleventh amendment was made on June 24, 2003. The twelfth amendment was made on June 21, 2004. The thirteenth amendment was made on June 30, 2006. The fourteenth amendment was made on June 15, 2007. The fifteenth amendment was made on June 19, 2009. The sixteenth amendment was made on	The Articles of Association was concluded on June 1, 1992. The first amendment was made on December 23, 1993. The second amendment was made on May 31, 1994. The third amendment was made on April 12, 1995. The fourth amendment was made on November 19, 1996. The fifth amendment was made on April 12, 1997. The sixth amendment was made on June 2, 1998. The seventh amendment was made on July 28, 1999. The eighth amendment was made on May 12, 2000. The ninth amendment was made on November 2, 2001. The tenth amendment was made on June 20, 2002. The eleventh amendment was made on June 24, 2003. The twelfth amendment was made on June 21, 2004. The thirteenth amendment was made on June 30, 2006. The fourteenth amendment was made on June 15, 2007. The fifteenth amendment was made on June 19, 2009. The sixteenth amendment was made on	To specify amendment date for the current amendment to the Articles of Incorporation.

Clause	After amendment	Before amendment	Notes
	<p>November 18, 2009.</p> <p>The seventeenth amendment was made on June 18, 2010.</p> <p>The eighteenth amendment was made on June 24, 2011.</p> <p>The nineteenth amendment was made on June 18, 2012.</p> <p>The twentieth amendment was made on May 3, 2013.</p> <p>The twenty-first amendment was made on June 18, 2014.</p> <p>The twenty-second amendment was made on June 9, 2015.</p> <p>The twenty-third amendment was made on June 22, 2016.</p> <p>The twenty-fourth amendment was made on June 18, 2019.</p> <p>The twenty-fifth amendment was made on June 18, 2020.</p> <p>The twenty-sixth amendment was made on July 7, 2021.</p> <p>The twenty-seventh amendment was made on June 22, 2022.</p>	<p>November 18, 2009.</p> <p>The seventeenth amendment was made on June 18, 2010.</p> <p>The eighteenth amendment was made on June 24, 2011.</p> <p>The nineteenth amendment was made on June 18, 2012.</p> <p>The twentieth amendment was made on May 3, 2013.</p> <p>The twenty-first amendment was made on June 18, 2014.</p> <p>The twenty-second amendment was made on June 9, 2015.</p> <p>The twenty-third amendment was made on June 22, 2016.</p> <p>The twenty-fourth amendment was made on June 18, 2019.</p> <p>The twenty-fifth amendment was made on June 18, 2020.</p> <p>The twenty-sixth amendment was made on July 7, 2021.</p>	



## Appendix 8

### E Ink Holdings Inc.

#### Rules of Procedure for Shareholders' Meetings

(Before Amendment)

Article 1 This policy has been established in accordance with Article 5 of "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" to promote proper governance over the Company's shareholder meetings and to enforce supervisory and administrative functions of such meetings.

Article 2 Unless otherwise specified in laws or Articles of Incorporation, shareholder meetings shall proceed according to the rules stated herein.

Article 3 Unless otherwise specified in laws, shareholder meetings are to be convened by the board of directors.

The Company shall prepare an electronic file that contains the meeting advice, a proxy form, a detailed agenda of topics to be acknowledged or discussed during the meeting, and notes on the election or dismissal of directors and post it onto the Market Observation Post System (MOPS) at least 30 days before an annual general meeting, or 15 days before an interim shareholder meeting. At least 21 days before an annual general meeting or 15 days before an interim shareholder meeting, an electronic copy of the shareholder meeting conference handbook and supplementary information shall be prepared and posted onto MOPS. Hard copies of the shareholder meeting conference handbook and supplementary information also have to be prepared at least 15 days before the meeting and made accessible to shareholders at any time. These documents shall be made available at the Company's premises and at the share transfer agent, and distributed on-site during the shareholder meeting.

The meeting advice and announcement shall include a detailed agenda. Advices can be served in electronic form with the recipient's consent.

Motions concerning election or dismissal of directors, amendment of Articles of Incorporation, capital reduction, going private, permission for directors' competing business involvement, capitalization of earnings, capitalization of reserves, dismissal of the Company, merger, divestment, and any issues listed in Paragraph 1, Article 185 of The Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be notified in advance with summary explained as part of the meeting agenda, and cannot be raised in the form of special motion.

If the shareholder meeting advice has already notified upfront of a full re-election of directors with specific duty commencement date, then no further changes can be made to the duty commencement date, whether through special motion or otherwise, when re-election is completed during the meeting.

Shareholders that own more than 1% of the Company's outstanding shares are entitled to propose motions for discussion in annual shareholders' meetings; each shareholder may only propose one motion; proposals above that limit will be excluded from discussion. However, shareholders' suggestions that are intended to enhance the Company's efforts toward public interest or social responsibilities may still be accepted

as motions by the board of directors. The board of directors may disregard shareholders' proposals if the proposed motions exhibit any of the conditions described in Paragraph 4, Article 172-1 of The Company Act.

The Company shall announce, before the book closure date of annual general meeting, the conditions, methods (written or electronic), places, and time within which shareholders' proposals are accepted. The acceptance period shall not be less than ten days. Shareholders shall limit their proposed motions to 300 words only; proposals that exceed 300 words will not be accepted for discussion. Shareholders who have successfully proposed their motions shall attend the annual general meeting in person or through proxy and participate in the discussion. The Company shall notify each proposing shareholder the outcomes of their proposed motions before the date the meeting advice is sent. Meanwhile, motions that satisfy the conditions listed in this Article shall be included as part of the meeting advice. During the shareholder meeting, the board of directors shall explain the reasons why certain proposed motions are excluded from discussion.

Article 4 Shareholders may appoint proxies to attend shareholder meetings on their behalf by completing the Company's proxy form and specifying the scope of delegated authority. Each shareholder may issue one proxy form and delegate one proxy only. All proxy forms shall be received by the Company at least 5 days before the shareholder meeting. In cases where multiple proxy forms are issued, the one that arrives first shall prevail. However, this excludes situations where the shareholder has issued a proper declaration to withdraw the previous proxy arrangement.

Should the shareholder decide to attend shareholder meeting personally or exercise voting rights in writing or using electronic means after a proxy form has been received by the Company, a written notice shall be sent to the Company by no later than two days before the meeting commences to withdraw the proxy arrangement. If the shareholder fails to withdraw proxy arrangement before the due date, vote of the proxy attendee shall prevail.

Article 5 Shareholder meetings shall be held at locations that are suitable and convenient for shareholders to attend. Meetings shall not commence anytime earlier than 9AM or later than 3PM. Independent directors' opinions shall be fully taken into consideration when choosing the meeting venue and time.

Article 6 The meeting advice shall specify details such as meeting time, venue, and other important issues to take note of.

Admission of meeting participants shall begin at least 30 minutes before the meeting commences. The reception area shall be clearly labeled and stationed with adequate and competent personnel.

Shareholders and representatives thereof (collectively referred to as shareholders) shall attend shareholder meetings by presenting valid conference pass, attendance card or other document of similar nature. The Company may not request shareholders to present additional documentary proof unless specified in advance. Proxy form acquirers are required to bring identity proof for verification.

An attendance log shall be prepared to record shareholders' attendance; alternatively, shareholders may present attendance cards to signify their presence.

Shareholders who attend the meeting shall be given a copy of the conference manual, annual report, attendance pass, opinion slip, motion ballot and any information relevant

to the meeting. Prepare additional ballots if director election is also being held during the meeting.

Where the shareholder is a government agency or corporate entity, more than one representative may attend shareholder meetings on their behalf. Corporate entities that have been designated as proxy attendees can only appoint one representative to attend shareholder meeting.

Article 7 Shareholder meetings that are convened by the board of directors shall be chaired by the Chairman. If the Chairman is unable to perform duty due to leave of absence or any reasons, the Chairman shall appoint one of the directors to act on behalf. If no one is appointed, the remaining directors shall appoint one among themselves to perform the Chairman's duties on behalf.

Where the meeting chairperson described in the preceding Paragraph is to be assumed by a director, the director shall be on the board for more than six months and possess adequate understanding of the Company's financial and business operations. The same applies if the chairperson is a representative of a corporate director.

Shareholder meetings that are convened by the board of directors shall be chaired by the Chairman and attended personally by more than half of total directors with at least one independent director present, or have at least one representative from each functional committee present at the meeting. Attendance of the above participants shall be recorded in details in shareholder meeting minutes.

For shareholder meetings convened by any authorized party other than the board of directors, the convener shall serve as the chairperson. If there are two or more conveners at the same time, one shall be appointed among themselves to chair the meeting.

The Company may summon its lawyers, certified public accountants, and any relevant personnel to be present at shareholder meetings.

Article 8 The Company shall record non-stop, in audio and video, from the time admission is accepted and throughout the entire meeting proceeding, voting process, and vote count. These recordings shall be retained for at least one year. However, if a shareholder raises a litigious claim against the Company in accordance with Article 189 of The Company Act, the abovementioned documents shall be retained until the end of the litigation.

Article 9 Attendance in a shareholder meeting is calculated based on the number of shares represented. The number of shares represented in a meeting is calculated based on attendance log records or the attendance cards collected, plus the number of shares that have voting rights exercised in writing or through electronic means.

The chairperson shall announce commencement of meeting as soon as it is due, and announce the number of shares represented in the meeting as well as the number of shares that are not entitled to voting rights. However, if current attendees represent less than half of the Company's outstanding shares, the chairperson may announce to postpone the meeting up to two times, for a period totaling no more than one hour. The chairperson shall dismiss the meeting if attending shareholders still represent less than one-third of outstanding shares after two postponements.

If attending shareholders still represent more than one-third but less than half of outstanding shares after two postponements, a tentative resolution may be passed in accordance with Paragraph 1, Article 175 of The Company Act. This tentative resolution shall then be communicated to every shareholder, and another shareholder meeting shall be held within the next month.

If the number of shares represented accumulate to more than half of all outstanding shares as the meeting progresses, the chairperson may propose the tentative resolutions for final voting according to Article 174 of The Company Act.

Article 10 For shareholder meetings that are convened by the board of directors, the board of directors will determine the meeting agenda. All proposed motions (including special motions and amendments to existing motions) shall be voted on a case-by-case basis. The agenda cannot be changed unless resolved during the shareholder meeting. Proposal of special motion is subject to the restrictions imposed by laws; special motions are to be raised during chairperson's inquisition, and may be included in the agenda only with the support of attending shareholders and after completing the necessary legal procedures. The above rule also applies to shareholder meetings that are convened by any entitled party other than the board of directors.

In either of the two arrangements described above, the chairperson cannot dismiss the meeting while a motion (including special motions) is still in progress. Once a meeting is adjourned, shareholders may not elect to continue the meeting with another chairperson or at a different venue. In the event that the chairperson dismisses a meeting in violation of conference rules, other members of the board shall quickly assist attending shareholders to elect another chairperson that has the support of more than half of voting rights represented on-site to continue the meeting.

The chairperson shall allow adequate time to explain and discuss various motions, amendments, or special motions proposed during the meeting. The chairperson may announce to discontinue further discussions if the issue in question is considered to have been sufficiently discussed to proceed with voting, and shall allocate ample time to vote.

Article 11 Shareholders who wish to speak during the meeting shall produce an opinion slip detailing the topic, shareholder ID (or the attendance ID serial) and shareholder's name. The order of shareholders' comments is determined by the chairperson.

Shareholders who submit an opinion slip without actually speaking are considered to have remained silent. If the shareholder's actual comments differ from those stated in the opinion slip, the actual comments expressed shall be taken into record.

Each shareholder shall speak no more than two times, for 5 minutes each, on the same motion unless otherwise agreed by the chairperson. The chairperson may stop shareholders from speaking if they violate any terms of the conference rules or speak outside the discussed topic.

While a shareholder is speaking, other shareholders cannot speak simultaneously or interfere in any way unless agreed by the chairperson and the person speaking. The chairperson shall restrain any person who violates this process.

Where a corporate shareholder has appointed two or more representatives to attend the shareholder meeting, only one representative may speak per motion.

After a shareholder has finished speaking, the chairperson may answer the shareholder's queries personally or appoint any relevant personnel to do so.

Article 12 Votes in a shareholder meeting are calculated based on the number of shares represented.

Shares that do not carry voting rights are excluded from the calculation of outstanding shares when voting for the final resolution.

Shareholders cannot vote, or vote on behalf of other shareholders, on any motion that presents a conflict between their own interests and interests of the Company.

The number of shares held by shareholders who are not permitted to vote, as described in the preceding Paragraph, shall be excluded from the calculation of total voting rights. With the exception of trust enterprises and certain stock transfer agents approved by the securities authority, a proxy may not represent more than 3% of total voting rights in aggregate when representing two or more shareholders during the meeting. Voting rights that exceed this threshold shall be excluded from calculation.

Article 13 Shareholders are entitled to one vote per share, except for shares that are subject to voting restrictions or situations outlined in Paragraph 2, Article 179 of The Company Act. The Company shall give shareholders the option to exercise voting rights in writing or using the electronic method during shareholder meetings. Instructions for exercising voting rights in writing or through electronic means shall be stated clearly in writing on the meeting advice. Shareholders who opt to exercise voting rights in writing or using electronic method, as mentioned in the preceding Paragraph, are considered to have participated in the shareholder meeting in person, but waived their rights to participate in any special motion or any amendment to regular motions that may arise during the shareholder meeting.

Written and electronic voting instructions, as mentioned in the preceding Paragraph, shall be delivered to the Company at least 2 days before the shareholder meeting. In the event of duplicate submissions, the earliest submission shall be taken into record. However, this excludes situations where a proper declaration is issued to withdraw the previous arrangement.

Shareholders who wish to attend the shareholder meeting in person after exercising their voting rights in writing or using electronic methods are required to withdraw their votes using the same method by which the vote was cast in the first place, and by no later than two days before the day of shareholder meeting. The written/electronic vote shall prevail if not withdrawn before the cutoff time. If a shareholder exercises vote in writing or through electronic means and at the same time delegates a proxy to attend shareholder meeting, the voting decision exercised by the proxy shall prevail.

Unless otherwise regulated by The Company Act or stated in the Articles of Incorporation, a motion is passed when supported by shareholders representing more than half of total voting rights in the meeting. When voting, the chairperson or delegate thereof shall announce the total number of voting rights represented by attending shareholders for every motion discussed, and have shareholders vote on a case-by-case basis. Details including the number of votes in favor, against, and abstained for each discussion shall be uploaded onto MOPS on the same day the shareholder meeting ends.

In cases where several amendment or alternative solutions have been proposed at the same time, the chairperson shall determine the order in which proposals are to be voted. If any solution is passed, all other proposals shall be deemed rejected and no further voting is necessary.

The chairperson shall appoint ballot examiners and ballot counters to support the voting process. The ballot examiner shall be a shareholder.

Motion and election votes are to be counted openly at the shareholder meeting. Results of the vote, including the final tally, shall be announced on-site and recorded in minutes.

Article 14 Shareholder meetings that involve election of directors shall proceed according to the Company's election policy. Results of the election, including the list of directors elected and not elected and the final tally, shall be announced on-site.

All ballots used in the above election shall be sealed and signed by the ballot examiner, and held in proper custody for at least one year. However, if a shareholder raises a litigious claim against the Company in accordance with Article 189 of The Company Act, the abovementioned documents shall be retained until the end of the litigation.

- Article 15 Shareholder meeting resolutions shall be compiled into detailed minutes, signed or sealed by the chairperson, and disseminated to each shareholder by no later than 20 days after the meeting. Preparation and distribution of meeting minutes can be made in electronic form.  
The Company may disseminate meeting minutes by announcing details over MOPS.  
The minutes shall detail the date and venue of the meeting, the chairperson's name, the method of resolution, the proceeding, and voting results of various motions (including weight). If director election is held during the meeting, the minutes shall disclose the number of votes received by each candidate. Minutes shall be retained indefinitely for as long as the Company exists.
- Article 16 On the day of the shareholder meeting, the Company shall disclose information on the number of shares acquired by proxy form acquirers and the number of shares represented by proxies at the meeting venue using the prescribed format.  
The Company shall disclose on MOPS in a timely manner any shareholder meeting resolutions that constitute material information as defined by law or the rules of Taipei Exchange.
- Article 17 Officers of the shareholder meeting shall wear proper identification or arm badge.  
The chairperson may instruct security staff to help maintain order in the meeting. While maintaining order in the meeting, all security staff are required to wear arm badges or identifications that identify their role as "Security."  
The chairperson may stop anyone who attempts to speak using instruments that are not provided by the Company.  
The chairperson may instruct security staff to remove shareholders who continue to violate conference rules or obstruct meeting proceeding despite being warned.
- Article 18 The chairperson may put the meeting in recess at appropriate times. In the event of force majeure, the chairperson may suspend the meeting temporarily and resume at another time.  
If the shareholder meeting is unable to resolve all scheduled motions (including special motions) before the venue is due for return, participants may resolve to continue the meeting at an alternative location.  
Shareholders may also resolve to postpone or resume the meeting within the next 5 days, according to Article 182 of The Company Act.
- Article 19 The above rules shall take effect immediately once approved during shareholder meeting; the same applies to all subsequent revisions.

## Appendix 9

[Passed and effected during the 2022 Annual General Meeting]

### E Ink Holdings Inc.

#### Rules of Procedure for Shareholders' Meetings

(Draft of Revision)

Article 1 This policy has been established in accordance with Article 5 of "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" to promote proper governance over the Company's shareholder meetings and to enforce supervisory and administrative functions of such meetings.

Article 2 Unless otherwise specified in laws or Articles of Incorporation, shareholder meetings shall proceed according to the rules stated herein.

Article 3 Unless otherwise specified in laws, shareholder meetings are to be convened by the board of directors.

Any change to the form of shareholder meeting is subject to board of directors' resolution, and shall be made no later than the day on which the shareholder meeting advise is mailed.

The Company shall prepare an electronic file that contains the meeting advice, a proxy form, a detailed agenda of topics to be acknowledged or discussed during the meeting, and notes on the election or dismissal of directors and post it onto the Market Observation Post System (MOPS) at least 30 days before an annual general meeting, or 15 days before an interim shareholder meeting. At least 21 days before an annual general meeting or 15 days before an interim shareholder meeting, an electronic copy of the shareholder meeting conference handbook and supplementary information shall be prepared and posted onto MOPS. However, if the Company reports NT\$10 billion of paid-in capital or above at the end of the most recent fiscal year, or if shares of the Company are held by foreign or Mainland investors for an aggregate percentage of 30% or more, as shown in the shareholders registry of the annual general meeting at the most recent fiscal year, such electronic files shall be posted 30 days before the annual general meeting. Hard copies of the shareholder meeting conference handbook and supplementary information also have to be prepared at least 15 days before the meeting and made accessible to shareholders at any time. These documents shall be made available at the Company's premises and at the share transfer agent.

The Company shall provide shareholders with the aforementioned conference handbook and supplementary information on the day of shareholder meeting in the following manner:

1. Distribute on-site, if a physical shareholder meeting is held.
2. Distribute on-site and upload electronic files onto the video conferencing platform, if a physical shareholder meeting is held in conjunction with video conference.
3. Upload electronic files onto the video conferencing platform, if a virtual shareholder meeting is held.

The meeting advice and announcement shall include a detailed agenda. Advices can be served in electronic form with the recipient's consent.

Motions concerning election or dismissal of directors, amendment of Articles of Incorporation, capital reduction, going private, permission for directors' competing business involvement, capitalization of earnings, capitalization of reserves, dismissal of the Company, merger, divestment, and any issues listed in Paragraph 1, Article 185 of The Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be notified in advance with summary explained as part of the meeting agenda, and cannot be raised in the form of special motion.

If the shareholder meeting advice has already notified upfront of a full re-election of directors with specific duty commencement date, then no further changes can be made to the duty

commencement date, whether through special motion or otherwise, when re-election is completed during the meeting.

Shareholders that own more than 1% of the Company's outstanding shares are entitled to propose motions for discussion in annual shareholders' meetings; each shareholder may only propose one motion; proposals above that limit will be excluded from discussion. However, shareholders' suggestions that are intended to enhance the Company's efforts toward public interest or social responsibilities may still be accepted as motions by the board of directors. The board of directors may disregard shareholders' proposals if the proposed motions exhibit any of the conditions described in Paragraph 4, Article 172-1 of The Company Act.

The Company shall announce, before the book closure date of annual general meeting, the conditions, methods (written or electronic), places, and time within which shareholders' proposals are accepted. The acceptance period shall not be less than ten days. Shareholders shall limit their proposed motions to 300 words only; proposals that exceed 300 words will not be accepted for discussion. Shareholders who have successfully proposed their motions shall attend the annual general meeting in person or through proxy and participate in the discussion. The Company shall notify each proposing shareholder the outcomes of their proposed motions before the date the meeting advice is sent. Meanwhile, motions that satisfy the conditions listed in this Article shall be included as part of the meeting advice. During the shareholder meeting, the board of directors shall explain the reasons why certain proposed motions are excluded from discussion.

Article 4 Shareholders may appoint proxies to attend shareholder meetings on their behalf by completing the Company's proxy form and specifying the scope of delegated authority.

Each shareholder may issue one proxy form and delegate one proxy only. All proxy forms shall be received by the Company at least 5 days before the shareholder meeting. In cases where multiple proxy forms are issued, the one that arrives first shall prevail. However, this excludes situations where the shareholder has issued a proper declaration to withdraw the previous proxy arrangement.

Should the shareholder decide to attend shareholder meeting personally or exercise voting rights in writing or using electronic means after a proxy form has been received by the Company, a written notice shall be sent to the Company by no later than two days before the meeting commences to withdraw the proxy arrangement. If the shareholder fails to withdraw proxy arrangement before the due date, vote of the proxy attendee shall prevail.

Should the shareholder decide to attend virtual shareholder meeting after a proxy form has been received by the Company, a written notice shall be sent to the Company by no later than two days before the meeting commences to withdraw the proxy arrangement. If the shareholder fails to withdraw proxy arrangement before the due date, vote of the proxy attendee shall prevail.

Article 5 Shareholder meetings shall be held at locations that are suitable and convenient for shareholders to attend. Meetings shall not commence anytime earlier than 9AM or later than 3PM. Independent directors' opinions shall be fully taken into consideration when choosing the meeting venue and time.

Virtual shareholder meetings are not subject to the location restrictions stated in the preceding Paragraph.

Article 6 The meeting advice shall specify details such as admission time for shareholders, proxy form acquirers, and proxies (collectively referred to as shareholders below), admission location, and important notes where relevant.

Admission of meeting participants shall begin at least 30 minutes before the meeting commences. The reception area shall be clearly labeled and stationed with adequate and competent personnel. In the case of virtual shareholder meeting, admission of meeting participants shall take place on the video conferencing platform within the 30 minutes before meeting commences; shareholders who complete the admission are deemed to have attended the shareholder meeting personally. Shareholders shall attend shareholder meetings by presenting valid conference pass, attendance



card or other document of similar nature. The Company may not request shareholders to present additional documentary proof unless specified in advance. Proxy form acquirers are required to bring identity proof for verification.

An attendance log shall be prepared to record shareholders' attendance; alternatively, shareholders may present attendance cards to signify their presence.

Shareholders who attend the meeting shall be given a copy of the conference manual, annual report, attendance pass, opinion slip, motion ballot and any information relevant to the meeting. Prepare additional ballots if director election is also being held during the meeting.

Where the shareholder is a government agency or corporate entity, more than one representative may attend shareholder meetings on their behalf. Corporate entities that have been designated as proxy attendees can only appoint one representative to attend shareholder meeting.

In the case of virtual shareholder meeting, shareholders who wish to attend the meeting by way of video conference shall register their spot with the Company at least two days before the meeting.

In the case of virtual shareholder meeting, the Company shall upload all relevant data such as the conference handbook and annual report onto the video conferencing platform at least 30 minutes before the meeting commences, and disclose continuously until the meeting ends.

Article 6-1 When hosting a virtual shareholder meeting, the Company shall specify the following details in the shareholder meeting advice:

1. The methods by which shareholders may participate in the virtual meeting and exercise rights.

2. Methods of resolving malfunction of the video conferencing platform or discontinuance of live stream due to natural disaster, manmade incident, or other force majeure event, which shall include at least the following:

(1) The time or date that the meeting will be postponed until, if the above disruption persists and cannot be resolved in time.

(2) The restriction that shareholders who did not register for the original virtual shareholder are unable to participate in the postponed/adjourned meeting.

(3) If a physical shareholder meeting is held in conjunction with video conference and the video conference discontinues but the number of shares represented on-site still exceeds the legal minimum after excluding those who participated via video conference, the number of shares represented by all who participate via video conference shall be added to the total number of shares represented at the meeting, but are considered to have waived their rights to vote on all motions of the current shareholder meeting.

(4) The Company's approach to the situation where outcomes of all regular motions have been concluded but the meeting has yet to progress into special motions.

3. Appropriate alternative measures for shareholders who have difficulties participating in the shareholder meeting via video conference.

Article 7 Shareholder meetings that are convened by the board of directors shall be chaired by the Chairman. If the Chairman is unable to perform duty due to leave of absence or any reasons, the Chairman shall appoint one of the directors to act on behalf. If no one is appointed, the remaining directors shall appoint one among themselves to perform the Chairman's duties on behalf.

Where the meeting chairperson described in the preceding Paragraph is to be assumed by a director, the director shall be on the board for more than six months and possess adequate understanding of the Company's financial and business operations. The same applies if the chairperson is a representative of a corporate director.

Shareholder meetings that are convened by the board of directors shall be chaired by the Chairman and attended personally by more than half of total directors with at least one independent director present, or have at least one representative from each functional committee present at the meeting. Attendance of the above participants shall be recorded in details in shareholder meeting minutes.

For shareholder meetings convened by any authorized party other than the board of directors, the convener shall serve as the chairperson. If there are two or more conveners at the same time, one shall be appointed among themselves to chair the meeting.

The Company may summon its lawyers, certified public accountants, and any relevant personnel to be present at shareholder meetings.

- Article 8 The Company shall record non-stop, in audio and video, from the time admission is accepted and throughout the entire meeting proceeding, voting process, and vote count. These recordings shall be retained for at least one year. However, if a shareholder raises a litigious claim against the Company in accordance with Article 189 of The Company Act, the abovementioned documents shall be retained until the end of the litigation. In the case of virtual shareholder meeting, the Company shall record and retain details of shareholders' registration, admission, queries, votes, and the final vote count. The entire meeting proceeding shall also be recorded non-stop in audio and video. The abovementioned data and recordings shall be kept properly for as long as the Company exists; a copy of the recording shall also be retained by the video conference service provider. In the case of virtual shareholder meeting, the Company shall also record the back-end user interface on the video conferencing platform.

- Article 9 Attendance in a shareholder meeting is calculated based on the number of shares represented. The number of shares represented in a meeting is calculated based on attendance log records or the attendance cards collected and the number of shares represented on the video conferencing platform, plus the number of shares that have voting rights exercised in writing or through electronic means. The chairperson shall announce commencement of meeting as soon as it is due, and announce the number of shares represented in the meeting as well as the number of shares that are not entitled to voting rights. However, if current attendees represent less than half of the Company's outstanding shares, the chairperson may announce to postpone the meeting up to two times, for a period totaling no more than one hour. The chairperson shall dismiss the meeting if attending shareholders still represent less than one-third of outstanding shares after two postponements. In the case of virtual shareholder meeting, the Company shall also announce dismissal of the meeting over the video conferencing platform. If attending shareholders still represent more than one-third but less than half of outstanding shares after two postponements, a tentative resolution may be passed in accordance with Paragraph 1, Article 175 of The Company Act. This tentative resolution shall then be communicated to every shareholder, and another shareholder meeting shall be held within the next month. In the case of virtual shareholder meeting, shareholders who wish to join the postponed meeting are required to register again with the Company according to Article 6. If the number of shares represented accumulate to more than half of all outstanding shares as the meeting progresses, the chairperson may propose the tentative resolutions for final voting according to Article 174 of The Company Act.

- Article 10 For shareholder meetings that are convened by the board of directors, the board of directors will determine the meeting agenda. All proposed motions (including special motions and amendments to existing motions) shall be voted on a case-by-case basis. The agenda cannot be changed unless resolved during the shareholder meeting. Proposal of special motion is subject to the restrictions imposed by laws; special motions are to be raised during chairperson's inquisition, and may be included in the agenda only with the support of attending shareholders and after completing the necessary legal procedures. The above rule also applies to shareholder meetings that are convened by any entitled party other than the board of directors. In either of the two arrangements described above, the chairperson cannot dismiss the meeting while a motion (including special motions) is still in progress. Once a meeting is adjourned,

shareholders may not elect to continue the meeting with another chairperson or at a different venue. In the event that the chairperson dismisses a meeting in violation of conference rules, other members of the board shall quickly assist attending shareholders to elect another chairperson that has the support of more than half of voting rights represented on-site to continue the meeting.

The chairperson shall allow adequate time to explain and discuss various motions, amendments, or special motions proposed during the meeting. The chairperson may announce to discontinue further discussions if the issue in question is considered to have been sufficiently discussed to proceed with voting, and shall allocate ample time to vote.

Article 11 Shareholders who wish to speak during the meeting shall produce an opinion slip detailing the topic, shareholder ID (or the attendance ID serial) and shareholder's name. The order of shareholders' comments is determined by the chairperson.

Shareholders who submit an opinion slip without actually speaking are considered to have remained silent. If the shareholder's actual comments differ from those stated in the opinion slip, the actual comments expressed shall be taken into record.

Each shareholder shall speak no more than two times, for 5 minutes each, on the same motion unless otherwise agreed by the chairperson. The chairperson may stop shareholders from speaking if they violate any terms of the conference rules or speak outside the discussed topic.

While a shareholder is speaking, other shareholders cannot speak simultaneously or interfere in any way unless agreed by the chairperson and the person speaking. The chairperson shall restrain any person who violates this process.

Where a corporate shareholder has appointed two or more representatives to attend the shareholder meeting, only one representative may speak per motion.

After a shareholder has finished speaking, the chairperson may answer the shareholder's queries personally or appoint any relevant personnel to do so.

In the case of virtual shareholder meeting, shareholders who participate by way of video conference may raise queries through text over the video conferencing platform at any time after the chairperson announces commencement of meeting until the meeting is adjourned. These shareholders may not raise more than two queries of 200 words each per motion, and are not subject to the rules outlined in Paragraphs 1 to 5.

These queries shall be published on the video conferencing platform for public knowledge, provided that they do not violate applicable rules and are relevant to the motion discussed.

Article 12 Votes in a shareholder meeting are calculated based on the number of shares represented.

Shares that do not carry voting rights are excluded from the calculation of outstanding shares when voting for the final resolution.

Shareholders cannot vote, or vote on behalf of other shareholders, on any motion that presents a conflict between their own interests and interests of the Company.

The number of shares held by shareholders who are not permitted to vote, as described in the preceding Paragraph, shall be excluded from the calculation of total voting rights.

With the exception of trust enterprises and certain stock transfer agents approved by the securities authority, a proxy may not represent more than 3% of total voting rights in aggregate when representing two or more shareholders during the meeting. Voting rights that exceed this threshold shall be excluded from calculation.

Article 13 Shareholders are entitled to one vote per share, except for shares that are subject to voting restrictions or situations outlined in Paragraph 2, Article 179 of The Company Act.

The Company shall give shareholders the option to exercise voting rights in writing or using the electronic method during shareholder meetings. Instructions for exercising voting rights in writing or through electronic means shall be stated clearly in writing on the meeting advice. Shareholders who opt to exercise voting rights in writing or using electronic method, as mentioned in the preceding Paragraph, are considered to have participated in the shareholder meeting in person,

but waived their rights to participate in any special motion or any amendment to regular motions that may arise during the shareholder meeting.

Written and electronic voting instructions, as mentioned in the preceding Paragraph, shall be delivered to the Company at least 2 days before the shareholder meeting. In the event of duplicate submissions, the earliest submission shall be taken into record. However, this excludes situations where a proper declaration is issued to withdraw the previous arrangement.

Shareholders who wish to attend the shareholder meeting in person or via video conferencing after exercising their voting rights in writing or using electronic methods are required to withdraw their votes using the same method by which the vote was cast in the first place, and by no later than two days before the day of shareholder meeting. The written/electronic vote shall prevail if not withdrawn before the cutoff time. If a shareholder exercises vote in writing or through electronic means and at the same time delegates a proxy to attend shareholder meeting, the voting decision exercised by the proxy shall prevail.

Unless otherwise regulated by The Company Act or stated in the Articles of Incorporation, a motion is passed when supported by shareholders representing more than half of total voting rights in the meeting. When voting, the chairperson or delegate thereof shall announce the total number of voting rights represented by attending shareholders for every motion discussed, and have shareholders vote on a case-by-case basis. Details including the number of votes in favor, against, and abstained for each discussion shall be uploaded onto MOPS on the same day the shareholder meeting ends.

In cases where several amendment or alternative solutions have been proposed at the same time, the chairperson shall determine the order in which proposals are to be voted. If any solution is passed, all other proposals shall be deemed rejected and no further voting is necessary.

The chairperson shall appoint ballot examiners and ballot counters to support the voting process. The ballot examiner shall be a shareholder.

Motion and election votes are to be counted openly at the shareholder meeting. Results of the vote, including the final tally, shall be announced on-site and recorded in minutes.

In the case of virtual shareholder meeting, shareholders who participate via video conference shall vote on various motions and elections over the video conferencing platform, and may do so from the time the chairperson announces commencement of meeting until the voting deadline. Voting rights that are not exercised past the deadline are deemed to have abstained.

In the case of virtual shareholder meeting, votes shall be collectively counted after the chairperson announces that the voting session has ended. Outcomes of the motion and election are to be announced immediately.

If a physical shareholder meeting is held in conjunction with video conference, shareholders who wish to attend the physical meeting personally after registering for the video conference in accordance with Article 6 will be required to withdraw their registration using the same method by which the registration was submitted in the first place by no later than two days before the shareholder meeting. Shareholders who do not withdraw registration in time may only participate in the shareholder meeting via video conference.

Shareholders who exercise voting rights in writing or using electronic method without expressing intent to withdraw and have participated in the shareholder meeting via video conference may no longer vote on the regular motion or amendment thereof, except in the case of special motions.

Article 14 Shareholder meetings that involve election of directors shall proceed according to the Company's election policy. Results of the election, including the list of directors elected and not elected and the final tally, shall be announced on-site.

All ballots used in the above election shall be sealed and signed by the ballot examiner, and held in proper custody for at least one year. However, if a shareholder raises a litigious claim against the Company in accordance with Article 189 of The Company Act, the abovementioned documents shall be retained until the end of the litigation.

Article 15 Shareholder meeting resolutions shall be compiled into detailed minutes, signed or sealed by the

chairperson, and disseminated to each shareholder by no later than 20 days after the meeting. Preparation and distribution of meeting minutes can be made in electronic form.

The Company may disseminate meeting minutes by announcing details over MOPS.

The minutes shall detail the date and venue of the meeting, the chairperson's name, the method of resolution, the proceeding, and voting results of various motions (including weight). If director election is held during the meeting, the minutes shall disclose the number of votes received by each candidate. Minutes shall be retained indefinitely for as long as the Company exists.

In the case of virtual shareholder meeting, the meeting minutes shall record not only the details mentioned in the preceding Paragraph, but also: the start and end time of meeting; the form of meeting; name of chairperson and minutes taker; methods of resolving malfunction of the video conferencing platform or discontinuance of live stream due to natural disaster, manmade incident, or other force majeure event; and how disruptions are handled.

Article 16 When hosting a virtual shareholder meeting, the Company shall proceed according to the rules outlined in the preceding Paragraph and state in the meeting minutes any alternative measures for shareholders who have difficulties participating in the shareholder meeting via video conference. On the day of the shareholder meeting, the Company shall disclose information on the number of shares acquired by proxy form acquirers, the number of shares represented by proxies, and the number of shares with voting rights exercised in writing or through the electronic method at the meeting venue using the prescribed format. In the case of virtual shareholder meeting, the Company shall upload the above data onto the video conferencing platform at least 30 minutes before the meeting commences, and disclose continuously until the meeting ends.

Upon commencement of a virtual shareholder meeting, the total number of shares represented at the meeting shall be disclosed over the video conferencing platform. The same requirement applies whenever the total number of shares and voting rights are counted over the course of the meeting.

The Company shall disclose on MOPS in a timely manner any shareholder meeting resolutions that constitute material information as defined by law or the rules of Taipei Exchange.

Article 17 Officers of the shareholder meeting shall wear proper identification or arm badge. The chairperson may instruct security staff to help maintain order in the meeting. While maintaining order in the meeting, all security staff are required to wear arm badges or identifications that identify their role as "Security."

The chairperson may stop anyone who attempts to speak using instruments that are not provided by the Company.

The chairperson may instruct security staff to remove shareholders who continue to violate conference rules or obstruct meeting proceeding despite being warned.

Article 18 The chairperson may put the meeting in recess at appropriate times. In the event of force majeure, the chairperson may suspend the meeting temporarily and resume at another time.

If the shareholder meeting is unable to resolve all scheduled motions (including special motions) before the venue is due for return, participants may resolve to continue the meeting at an alternative location.

Shareholders may also resolve to postpone or resume the meeting within the next 5 days, according to Article 182 of The Company Act.

Article 19 In the case of virtual shareholder meeting, the Company shall upload the outcome of each motion and election over the video conferencing platform in a manner that conforms with rules immediately at the end of each voting session, and disclose continuously for at least 15 minutes after adjournment is announced by the chairperson.

Article 20 When hosting a virtual shareholder meeting, both the chairperson and the minutes taker shall be at the same domestic location, and the address of which is to be announced by the chairperson when the meeting commences.

Article 21 In the case of virtual shareholder meeting, the Company may conduct a simple connection test before the meeting and offer services before and during the meeting to help participants resolve communication and technical issues.

In the case of virtual shareholder meeting, the chairperson shall, upon commencement of the meeting, announce to participants the meeting's postponement or resumption date set in the next 5 days if the video conferencing platform malfunctions or if the live stream discontinues persistently for 30 minutes or longer due to natural disaster, manmade incident, or other force majeure event before adjournment, except for the situations outlined in Paragraph 4, Article 44-20 of Regulations Governing the Administration of Shareholder Services of Public Companies in which postponement or premature adjournment of meeting is not required, and that postponement/premature adjournment is not subject to Article 182 of The Company Act.

If meeting is to be postponed or prematurely adjourned in any of the situations described in the preceding Paragraph, shareholders who did not register for the original virtual shareholder are unable to participate in the postponed/adjourned meeting.

If meeting is to be postponed or prematurely adjourned in any of the situations described in Paragraph 2, shareholders who registered and completed admission for the original virtual shareholder meeting but do not participate in the postponed/adjourned meeting will still have the number of shares and exercised votes counted towards total shares and votes during the postponed/adjourned meeting.

When postponing or resuming a virtual shareholder meeting in any of the situations described in Paragraph 2, any motions that already completed the voting and vote count with the final outcome announced and any director or supervisor election that has already been concluded during the meeting need not be discussed or resolved again.

If a physical shareholder meeting is held in conjunction with video conference and the video conference discontinues for any of the reasons described in Paragraph 2 but the number of shares represented on-site still exceeds the legal minimum after excluding those who participated via video conference, the shareholder meeting shall proceed as normal and need not be postponed or prematurely adjourned in the manner described in Paragraph 2.

If the meeting is to proceed as normal in the situation outlined above, shareholders who participate in the meeting via video conference shall have all of their shares counted towards the total number of shares represented at the meeting, but are considered to have waived the right to vote on all motions of the shareholder meeting.

If meeting is postponed or prematurely adjourned for any of the situations outlined in Paragraph 2, the timelines of various preparation works specified in Paragraph 7, Article 44-20 of Regulations Governing the Administration of Shareholder Services of Public Companies shall apply to the date of the original shareholder meeting.

The timelines mentioned in the latter part of Article 12 and Paragraph 3, Article 13 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies and Paragraph 2, Article 44-5, Article 44-15, and Paragraph 1, Article 44-17 of Regulations Governing the Administration of Shareholder Services of Public Companies shall apply to the date of the meeting postponed/prematurely adjourned under Paragraph 2.

Article 22 When hosting a virtual shareholder meeting, the Company shall provide appropriate alternative measures for shareholders who have difficulties participating in the shareholder meeting via video conference.

Article 23 The above rules shall take effect immediately once approved during shareholder meeting; the same applies to all subsequent revisions.

## E Ink Holdings Inc.

### Comparison Table for Amendments to the Rules of Procedure for Shareholders' Meeting

Clause	Amended clause	Existing clause	Notes
Article 3	<p>Unless otherwise specified in laws, shareholder meetings are to be convened by the board of directors. <u>Any change to the form of shareholder meeting is subject to board of directors' resolution, and shall be made no later than the day on which the shareholder meeting advise is mailed.</u></p> <p>The Company shall prepare an electronic file that contains the meeting advice, a proxy form, a detailed agenda of topics to be acknowledged or discussed during the meeting, and notes on the election or dismissal of directors and post it onto the Market Observation Post System (MOPS) at least 30 days before an annual general meeting, or 15 days before an interim shareholder meeting. At least 21 days before an annual general meeting or 15 days before an interim shareholder meeting, an electronic copy of the shareholder meeting conference handbook and supplementary information shall be prepared and posted onto MOPS. <u>However, if the Company reports NT\$10 billion of paid-in capital or above at the end of the most recent fiscal year, or if shares of the Company are held by foreign or Mainland investors for an aggregate percentage of 30% or more, as shown in the shareholders registry of the annual general meeting at the most recent fiscal year, such electronic files shall be posted 30 days before the annual general meeting.</u> Hard copies of the shareholder meeting conference handbook and supplementary information also have to be prepared at least 15 days before the meeting and made accessible to shareholders at any time. These documents shall be</p>	<p>Unless otherwise specified in laws, shareholder meetings are to be convened by the board of directors.</p> <p>The Company shall prepare an electronic file that contains the meeting advice, a proxy form, a detailed agenda of topics to be acknowledged or discussed during the meeting, and notes on the election or dismissal of directors and post it onto the Market Observation Post System (MOPS) at least 30 days before an annual general meeting, or 15 days before an interim shareholder meeting. At least 21 days before an annual general meeting or 15 days before an interim shareholder meeting, an electronic copy of the shareholder meeting conference handbook and supplementary information shall be prepared and posted onto MOPS. Hard copies of the shareholder meeting conference handbook and supplementary information also have to be prepared at least 15 days before the meeting and made accessible to shareholders at any time. These documents shall be made available at the Company's premises and at the share transfer agent, <u>and distributed on-site during the shareholder meeting.</u></p> <p>The meeting advice and announcement shall include a detailed agenda. Advices can be served in electronic form with the recipient's consent.</p> <p>Motions concerning election or dismissal of directors, amendment of Articles of Incorporation, capital reduction,</p>	<ol style="list-style-type: none"> <li>1. No amendment was made to Paragraphs 1 and 3-10.</li> <li>2. Added Paragraph 2, which states that any change to the form of shareholder meeting is subject to board of directors' resolution and shall be made no later than the day on which the shareholder meeting advise is mailed, so that shareholders can be informed of a change in the form of meeting.</li> <li>3. According to the amendments made to Article 6 of Regulations Governing Content and Compliance Requirements for Shareholders' Meeting Agenda Handbooks of Public Companies on December 16, 2021, TWSE and TPEX listed companies that report paid-in capital of NT\$10 billion or above at the end of the most recent fiscal year and those that are held by foreign or Mainland investors for an aggregate percentage of 30% or more, as shown in the shareholders registry of the annual general meeting at the most recent fiscal year, are required to complete submission of electronic files at least 30 days before annual general meeting. Paragraph 3 was amended to ensure earlier delivery of</li> </ol>

Clause	Amended clause	Existing clause	Notes
	<p>made available at the Company's premises and at the share transfer agent.</p> <p><u>The Company shall provide shareholders with the aforementioned conference handbook and supplementary information on the day of shareholder meeting in the following manner:</u></p> <ol style="list-style-type: none"> <li><u>1. Distribute on-site, if a physical shareholder meeting is held.</u></li> <li><u>2. Distribute on-site and upload electronic files onto the video conferencing platform, if a physical shareholder meeting is held in conjunction with video conference.</u></li> <li><u>3. Upload electronic files onto the video conferencing platform, if a virtual shareholder meeting is held.</u></li> </ol> <p>The meeting advice and announcement shall include a detailed agenda. Advices can be served in electronic form with the recipient's consent.</p> <p>Motions concerning election or dismissal of directors, amendment of Articles of Incorporation, capital reduction, going private, permission for directors' competing business involvement, capitalization of earnings, capitalization of reserves, dismissal of the Company, merger, divestment, and any issues listed in Paragraph 1, Article 185 of The Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be notified in advance with summary explained as part of the meeting agenda, and cannot be raised in the form of special motion.</p> <p>If the shareholder meeting advice has already notified upfront of a full re-election of directors with specific duty commencement date, then no further</p>	<p>going private, permission for directors' competing business involvement, capitalization of earnings, capitalization of reserves, dismissal of the Company, merger, divestment, and any issues listed in Paragraph 1, Article 185 of The Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be notified in advance with summary explained as part of the meeting agenda, and cannot be raised in the form of special motion.</p> <p>If the shareholder meeting advice has already notified upfront of a full re-election of directors with specific duty commencement date, then no further changes can be made to the duty commencement date, whether through special motion or otherwise, when re-election is completed during the meeting.</p> <p>Shareholders that own more than 1% of the Company's outstanding shares are entitled to propose motions for discussion in annual shareholders' meetings; each shareholder may only propose one motion; proposals above that limit will be excluded from discussion. However, shareholders' suggestions that are intended to enhance the Company's efforts toward public interest or social responsibilities may still be accepted as motions by the board of directors. The board of directors may disregard shareholders' proposals if the proposed motions exhibit any of the conditions described in Paragraph 4, Article 172-1 of</p>	<p>shareholder meeting information for foreign and Mainland investors that are domiciled overseas.</p> <p>4. The laws now allow public companies to convene shareholder meetings by way of video conference, and the Company may convene shareholder meetings in physical and virtual forms. Paragraph 2 was amended while Paragraph 4 was added to ensure that shareholders have access to the conference handbook and supplementary information on the day of meeting, regardless of whether they choose to participate in physical or virtual form.</p>



Clause	Amended clause	Existing clause	Notes
	<p>changes can be made to the duty commencement date, whether through special motion or otherwise, when re-election is completed during the meeting.</p> <p>Shareholders that own more than 1% of the Company's outstanding shares are entitled to propose motions for discussion in annual shareholders' meetings; each shareholder may only propose one motion; proposals above that limit will be excluded from discussion. However, shareholders' suggestions that are intended to enhance the Company's efforts toward public interest or social responsibilities may still be accepted as motions by the board of directors. The board of directors may disregard shareholders' proposals if the proposed motions exhibit any of the conditions described in Paragraph 4, Article 172-1 of The Company Act.</p> <p>The Company shall announce, before the book closure date of annual general meeting, the conditions, methods (written or electronic), places, and time within which shareholders' proposals are accepted. The acceptance period shall not be less than ten days. Shareholders shall limit their proposed motions to 300 words only; proposals that exceed 300 words will not be accepted for discussion. Shareholders who have successfully proposed their motions shall attend the annual general meeting in person or through proxy and participate in the discussion. The Company shall notify each proposing shareholder the outcomes of their proposed motions before the date the meeting advice is sent. Meanwhile, motions that satisfy the conditions listed in this Article shall be included as part of the meeting advice. During the shareholder meeting, the board of directors shall explain the reasons why certain proposed motions are excluded from discussion.</p>	<p>The Company Act.</p> <p>The Company shall announce, before the book closure date of annual general meeting, the conditions, methods (written or electronic), places, and time within which shareholders' proposals are accepted. The acceptance period shall not be less than ten days. Shareholders shall limit their proposed motions to 300 words only; proposals that exceed 300 words will not be accepted for discussion. Shareholders who have successfully proposed their motions shall attend the annual general meeting in person or through proxy and participate in the discussion. The Company shall notify each proposing shareholder the outcomes of their proposed motions before the date the meeting advice is sent. Meanwhile, motions that satisfy the conditions listed in this Article shall be included as part of the meeting advice. During the shareholder meeting, the board of directors shall explain the reasons why certain proposed motions are excluded from discussion.</p>	
Article 4	Shareholders may appoint proxies to	Shareholders may appoint	1. No amendment was

Clause	Amended clause	Existing clause	Notes
	<p>attend shareholder meetings on their behalf by completing the Company's proxy form and specifying the scope of delegated authority.</p> <p>Each shareholder may issue one proxy form and delegate one proxy only. All proxy forms shall be received by the Company at least 5 days before the shareholder meeting. In cases where multiple proxy forms are issued, the one that arrives first shall prevail.</p> <p>However, this excludes situations where the shareholder has issued a proper declaration to withdraw the previous proxy arrangement.</p> <p>Should the shareholder decide to attend shareholder meeting personally or exercise voting rights in writing or using electronic means after a proxy form has been received by the Company, a written notice shall be sent to the Company by no later than two days before the meeting commences to withdraw the proxy arrangement. If the shareholder fails to withdraw proxy arrangement before the due date, vote of the proxy attendee shall prevail.</p> <p><u>Should the shareholder decide to attend virtual shareholder meeting after a proxy form has been received by the Company, a written notice shall be sent to the Company by no later than two days before the meeting commences to withdraw the proxy arrangement. If the shareholder fails to withdraw proxy arrangement before the due date, vote of the proxy attendee shall prevail.</u></p>	<p>proxies to attend shareholder meetings on their behalf by completing the Company's proxy form and specifying the scope of delegated authority.</p> <p>Each shareholder may issue one proxy form and delegate one proxy only. All proxy forms shall be received by the Company at least 5 days before the shareholder meeting. In cases where multiple proxy forms are issued, the one that arrives first shall prevail. However, this excludes situations where the shareholder has issued a proper declaration to withdraw the previous proxy arrangement.</p> <p>Should the shareholder decide to attend shareholder meeting personally or exercise voting rights in writing or using electronic means after a proxy form has been received by the Company, a written notice shall be sent to the Company by no later than two days before the meeting commences to withdraw the proxy arrangement. If the shareholder fails to withdraw proxy arrangement before the due date, vote of the proxy attendee shall prevail.</p>	<p>made to Paragraphs 1-3.</p> <p>2. Added Paragraph 4 so that shareholders who later decide to attend virtual shareholder meeting after having designated a proxy and delivered proxy form to the Company are required to withdraw the proxy arrangement in writing by no later than two days before the meeting commences.</p>
Article 5	<p>Shareholder meetings shall be held at locations that are suitable and convenient for shareholders to attend. Meetings shall not commence anytime earlier than 9AM or later than 3PM. Independent directors' opinions shall be fully taken into consideration when choosing the meeting venue and time.</p> <p><u>Virtual shareholder meetings are not subject to the location restrictions stated in the preceding Paragraph.</u></p>	<p>Shareholder meetings shall be held at locations that are suitable and convenient for shareholders to attend. Meetings shall not commence anytime earlier than 9AM or later than 3PM. Independent directors' opinions shall be fully taken into consideration when choosing the meeting venue and time.</p>	<p>To specify that virtual shareholder meetings are not subject to location restrictions.</p>
Article 6	<p>The meeting advice shall specify</p>	<p>The meeting advice shall specify</p>	<p>1. No amendment was</p>

Clause	Amended clause	Existing clause	Notes
	<p>details such as admission time for shareholders, <u>proxy form acquirers, and proxies (collectively referred to as shareholders below)</u>, admission location, and important notes where relevant.</p> <p>Admission of meeting participants shall begin at least 30 minutes before the meeting commences. The reception area shall be clearly labeled and stationed with adequate and competent personnel. <u>In the case of virtual shareholder meeting, admission of meeting participants shall take place on the video conferencing platform within the 30 minutes before meeting commences; shareholders who complete the admission are deemed to have attended the shareholder meeting personally.</u></p> <p><u>Shareholders</u> shall attend shareholder meetings by presenting valid conference pass, attendance card or other document of similar nature. The Company may not request shareholders to present additional documentary proof unless specified in advance. Proxy form acquirers are required to bring identity proof for verification.</p> <p>An attendance log shall be prepared to record shareholders' attendance; alternatively, shareholders may present attendance cards to signify their presence.</p> <p>Shareholders who attend the meeting shall be given a copy of the conference manual, annual report, attendance pass, opinion slip, motion ballot and any information relevant to the meeting. Prepare additional ballots if director election is also being held during the meeting.</p> <p>Where the shareholder is a government agency or corporate entity, more than one representative may attend shareholder meetings on their behalf. Corporate entities that have been designated as proxy attendees can only appoint one representative to attend shareholder</p>	<p>details such as meeting time, venue, and other important issues to take note of.</p> <p>Admission of meeting participants shall begin at least 30 minutes before the meeting commences. The reception area shall be clearly labeled and stationed with adequate and competent personnel.</p> <p>Shareholders and representatives thereof (collectively referred to as shareholders) shall attend shareholder meetings by presenting valid conference pass, attendance card or other document of similar nature. The Company may not request shareholders to present additional documentary proof unless specified in advance.</p> <p>Proxy form acquirers are required to bring identity proof for verification.</p> <p>An attendance log shall be prepared to record shareholders' attendance; alternatively, shareholders may present attendance cards to signify their presence.</p> <p>Shareholders who attend the meeting shall be given a copy of the conference manual, annual report, attendance pass, opinion slip, motion ballot and any information relevant to the meeting. Prepare additional ballots if director election is also being held during the meeting.</p> <p>Where the shareholder is a government agency or corporate entity, more than one representative may attend shareholder meetings on their behalf. Corporate entities that have been designated as proxy attendees can only appoint one representative to attend shareholder meeting.</p>	<p>made to Paragraphs 4-6.</p> <p>2. Amended Paragraph 2 to specify the timing and procedures for shareholders' admission.</p> <p>3. Amended Paragraph 3 to align with the abbreviated term - "Shareholder" introduced in Paragraph 1.</p> <p>4. Added Paragraph 7 to stipulate that shareholders who wish to participate in the shareholder meeting via video conference are required to register their spot with the Company at least two days before the meeting.</p> <p>5. Added Paragraph 8 to have the Company upload information such as conference handbook and annual report onto the video conferencing platform, so that shareholders who participate in shareholder meeting via video conference may have access to the information.</p>

Clause	Amended clause	Existing clause	Notes
	<p>meeting.</p> <p><u>In the case of virtual shareholder meeting, shareholders who wish to attend the meeting by way of video conference shall register their spot with the Company at least two days before the meeting.</u></p> <p><u>In the case of virtual shareholder meeting, the Company shall upload all relevant data such as the conference handbook and annual report onto the video conferencing platform at least 30 minutes before the meeting commences, and disclose continuously until the meeting ends.</u></p>		
Article 6-1	<p><u>When hosing a virtual shareholder meeting, the Company shall specify the following details in the shareholder meeting advice:</u></p> <p><u>1. The methods by which shareholders may participate in the virtual meeting and exercise rights.</u></p> <p><u>2. Methods of resolving malfunction of the video conferencing platform or discontinuance of live stream due to natural disaster, manmade incident, or other force majeure event, which shall include at least the following:</u></p> <p><u>(1) The time or date that the meeting will be postponed until, if the above disruption persists and cannot be resolved in time.</u></p> <p><u>(2) The restriction that shareholders who did not register for the original virtual shareholder are unable to participate in the postponed/adjourned meeting.</u></p> <p><u>(3) If a physical shareholder meeting is held in conjunction with video conference and the video conference discontinues but the number of shares represented on-site still exceeds the legal minimum after excluding those who</u></p>		<p>1. This Article is added anew.</p> <p>2. In order to notify shareholders of relevant rights and restrictions before participating in a shareholder meeting, amendments have been made to ensure that the meeting advice is properly prepared with details on: the methods by which shareholders are able to exercise rights in a virtual meeting; methods of resolving malfunction of the video conferencing platform or discontinuance of live stream due to natural disaster, manmade incident, or other force majeure event, including the number of days the meeting can be postponed for and the duration of signal disruption needed to trigger a postponement/premature adjournment; the rules outlined in Paragraphs 1, 2, 4, and 5, Article 44-20 of Regulations Governing the Administration of Shareholder Services of Public Companies; how</p>

Clause	Amended clause	Existing clause	Notes
	<p><u>participated via video conference, the number of shares represented by all who participate via video conference shall be added to the total number of shares represented at the meeting, but are considered to have waived their rights to vote on all motions of the current shareholder meeting.</u></p> <p><u>(4) The Company's approach to the situation where outcomes of all regular motions have been concluded but the meeting has yet to progress into special motions.</u></p> <p><u>3. Appropriate alternative measures for shareholders who have difficulties participating in the shareholder meeting via video conference.</u></p>		<p>concluded motions are handled in the case of signal disruption; how the meeting shall proceed if it has not progressed to the special motions phase; and appropriate alternative measures for shareholders who have difficulties participating in the meeting via video conference.</p>
Article 8	<p>The Company shall record non-stop, in audio and video, from the time admission is accepted and throughout the entire meeting proceeding, voting process, and vote count. These recordings shall be retained for at least one year. However, if a shareholder raises a litigious claim against the Company in accordance with Article 189 of The Company Act, the abovementioned documents shall be retained until the end of the litigation.</p> <p><u>In the case of virtual shareholder meeting, the Company shall record and retain details of shareholders' registration, admission, queries, votes, and the final vote count. The entire meeting proceeding shall also be recorded non-stop in audio and video.</u></p> <p><u>The abovementioned data and recordings shall be kept properly for as long as the Company exists; a copy of the recording shall also be retained by the video conference service provider.</u></p> <p><u>In the case of virtual shareholder</u></p>	<p>The Company shall record non-stop, in audio and video, from the time admission is accepted and throughout the entire meeting proceeding, voting process, and vote count. These recordings shall be retained for at least one year. However, if a shareholder raises a litigious claim against the Company in accordance with Article 189 of The Company Act, the abovementioned documents shall be retained until the end of the litigation.</p>	<p>1. No amendment was made to Paragraphs 1 and 2.</p> <p>2. Added Paragraphs 3 and 4 in reference to Article 183 of The Company Act and Article 18 of Regulations Governing Procedure for Board of Directors Meetings of Public Companies, so that the Company is required to retain records of relevant data such as shareholders' registration, admission, queries, votes, the final vote count etc., and maintain non-stop audio and video recording on the entire meeting proceeding while having backup copies retained by the video conference service provider for as long as the Company exists.</p> <p>3. In addition to</p>

Clause	Amended clause	Existing clause	Notes
	<p><u>meeting, the Company shall also record the back-end user interface on the video conferencing platform.</u></p>		<p>specifying in Paragraph 3 the need to maintain non-stop audio and video recordings of the entire meeting proceeding, Paragraph 5 has been added as a recommendation for the practice of recording the back-end user interface for more proper keeping of video conference data. Due to the fact that real-time screen recording requires certain grade of computer hardware, software, and security, the Shareholders Conference Rules have been amended to allow the Company to exercise discretion over this recommended practice depending on the capacity of its equipment.</p>
Article 9	<p>Attendance in a shareholder meeting is calculated based on the number of shares represented. The number of shares represented in a meeting is calculated based on attendance log records or the attendance cards collected <u>and the number of shares represented on the video conferencing platform</u>, plus the number of shares that have voting rights exercised in writing or through electronic means.</p> <p>The chairperson shall announce commencement of meeting as soon as it is due, and announce the number of shares represented in the meeting as well as the number of shares that are not entitled to voting rights. However, if current attendees represent less than half of the Company's outstanding shares, the chairperson may announce to postpone the meeting up to two times, for a period totaling no more than one hour. The chairperson shall dismiss the meeting if attending shareholders still represent less than</p>	<p>Attendance in a shareholder meeting is calculated based on the number of shares represented. The number of shares represented in a meeting is calculated based on attendance log records or the attendance cards collected, plus the number of shares that have voting rights exercised in writing or through electronic means.</p> <p>The chairperson shall announce commencement of meeting as soon as it is due, and announce the number of shares represented in the meeting as well as the number of shares that are not entitled to voting rights. However, if current attendees represent less than half of the Company's outstanding shares, the chairperson may announce to postpone the meeting up to two times, for a period totaling no more than one hour. The chairperson shall dismiss the</p>	<p>1. No amendment was made to Paragraphs 2 and 5.</p> <p>2. Amended Paragraph 1 to stipulate that shareholders who complete the admission process via video conference shall also count towards the total number of shares represented at the shareholder meeting, if the meeting is carried out by way of video conference.</p> <p>3. Amended Paragraph 3 to stipulate that, if the chairperson announces dismissal of physical shareholder meeting, the dismissal shall also be announced over the video conferencing platform if applicable, so that shareholders can be informed in a timely</p>

Clause	Amended clause	Existing clause	Notes
	<p>one-third of outstanding shares after two postponements. <u>In the case of virtual shareholder meeting, the Company shall also announce dismissal of the meeting over the video conferencing platform.</u></p> <p>If attending shareholders still represent more than one-third but less than half of outstanding shares after two postponements, a tentative resolution may be passed in accordance with Paragraph 1, Article 175 of The Company Act. This tentative resolution shall then be communicated to every shareholder, and another shareholder meeting shall be held within the next month. <u>In the case of virtual shareholder meeting, shareholders who wish to join the postponed meeting are required to register again with the Company according to Article 6.</u></p> <p>If the number of shares represented accumulate to more than half of all outstanding shares as the meeting progresses, the chairperson may propose the tentative resolutions for final voting according to Article 174 of The Company Act.</p>	<p>meeting if attending shareholders still represent less than one-third of outstanding shares after two postponements.</p> <p>If attending shareholders still represent more than one-third but less than half of outstanding shares after two postponements, a tentative resolution may be passed in accordance with Paragraph 1, Article 175 of The Company Act. This tentative resolution shall then be communicated to every shareholder, and another shareholder meeting shall be held within the next month.</p> <p>If the number of shares represented accumulate to more than half of all outstanding shares as the meeting progresses, the chairperson may propose the tentative resolutions for final voting according to Article 174 of The Company Act.</p>	<p>manner.</p> <p>4. Amended Paragraph 4 so that shareholders are required to make separate registrations with the Company if they wish to participate in shareholder meetings that are convened for the purpose of resolving tentative resolutions by way of video conference.</p>
Article 11	<p>Shareholders who wish to speak during the meeting shall produce an opinion slip detailing the topic, shareholder ID (or the attendance ID serial) and shareholder's name. The order of shareholders' comments is determined by the chairperson.</p> <p>Shareholders who submit an opinion slip without actually speaking are considered to have remained silent. If the shareholder's actual comments differ from those stated in the opinion slip, the actual comments expressed shall be taken into record.</p> <p>Each shareholder shall speak no more than two times, for 5 minutes each, on the same motion unless otherwise agreed by the chairperson. The chairperson may stop shareholders from speaking if they violate any terms of the conference rules or speak outside the discussed topic.</p> <p>While a shareholder is speaking, other</p>	<p>Shareholders who wish to speak during the meeting shall produce an opinion slip detailing the topic, shareholder ID (or the attendance ID serial) and shareholder's name. The order of shareholders' comments is determined by the chairperson.</p> <p>Shareholders who submit an opinion slip without actually speaking are considered to have remained silent. If the shareholder's actual comments differ from those stated in the opinion slip, the actual comments expressed shall be taken into record.</p> <p>Each shareholder shall speak no more than two times, for 5 minutes each, on the same motion unless otherwise agreed by the chairperson. The chairperson may stop</p>	<p>1. No amendment was made to Paragraphs 1-6.</p> <p>2. Added Paragraph 7 to outline the methods and procedures through which queries can be raised, and limitations of shareholders' queries in a virtual shareholder meeting.</p> <p>3. Added Paragraph 8, thereby allowing the Company to disregard queries that are irrelevant to the motions discussed during shareholder meeting while suggesting disclosure of queries from other shareholders over the video conferencing platform, so that shareholders may have better understanding of</p>

Clause	Amended clause	Existing clause	Notes
	<p>shareholders cannot speak simultaneously or interfere in any way unless agreed by the chairperson and the person speaking. The chairperson shall restrain any person who violates this process.</p> <p>Where a corporate shareholder has appointed two or more representatives to attend the shareholder meeting, only one representative may speak per motion. After a shareholder has finished speaking, the chairperson may answer the shareholder's queries personally or appoint any relevant personnel to do so.</p> <p><u>In the case of virtual shareholder meeting, shareholders who participate by way of video conference may raise queries through text over the video conferencing platform at any time after the chairperson announces commencement of meeting until the meeting is adjourned. These shareholders may not raise more than two queries of 200 words each per motion, and are not subject to the rules outlined in Paragraphs 1 to 5. These queries shall be published on the video conferencing platform for public knowledge, provided that they do not violate applicable rules and are relevant to the motion discussed.</u></p>	<p>shareholders from speaking if they violate any terms of the conference rules or speak outside the discussed topic. While a shareholder is speaking, other shareholders cannot speak simultaneously or interfere in any way unless agreed by the chairperson and the person speaking. The chairperson shall restrain any person who violates this process.</p> <p>Where a corporate shareholder has appointed two or more representatives to attend the shareholder meeting, only one representative may speak per motion.</p> <p>After a shareholder has finished speaking, the chairperson may answer the shareholder's queries personally or appoint any relevant personnel to do so.</p>	<p>the queries raised by others.</p>
Article 13	<p>Shareholders are entitled to one vote per share, except for shares that are subject to voting restrictions or situations outlined in Paragraph 2, Article 179 of The Company Act. The Company shall give shareholders the option to exercise voting rights in writing or using the electronic method during shareholder meetings. Instructions for exercising voting rights in writing or through electronic means shall be stated clearly in writing on the meeting advice. Shareholders who opt to exercise voting rights in writing or using electronic method, as mentioned in the preceding Paragraph, are considered to have participated in the</p>	<p>Shareholders are entitled to one vote per share, except for shares that are subject to voting restrictions or situations outlined in Paragraph 2, Article 179 of The Company Act. The Company shall give shareholders the option to exercise voting rights in writing or using the electronic method during shareholder meetings. Instructions for exercising voting rights in writing or through electronic means shall be stated clearly in writing on the meeting advice. Shareholders who opt to exercise voting rights in writing or using electronic method, as</p>	<ol style="list-style-type: none"> <li>1. No amendment was made to Paragraphs 1-2 and 5-8.</li> <li>2. Amended Paragraph 4 so that shareholders who wish to attend the shareholder meeting via video conference after exercising their voting rights in writing or using electronic methods are required to withdraw votes using the same method by which the votes were cast in the first place.</li> <li>3. Added Paragraphs 9 and 10 so that</li> </ol>



Clause	Amended clause	Existing clause	Notes
	<p>shareholder meeting in person, but waived their rights to participate in any special motion or any amendment to regular motions that may arise during the shareholder meeting. Written and electronic voting instructions, as mentioned in the preceding Paragraph, shall be delivered to the Company at least 2 days before the shareholder meeting. In the event of duplicate submissions, the earliest submission shall be taken into record. However, this excludes situations where a proper declaration is issued to withdraw the previous arrangement.</p> <p>Shareholders who wish to attend the shareholder meeting in person <u>or via video conferencing</u> after exercising their voting rights in writing or using electronic methods are required to withdraw their votes using the same method by which the vote was cast in the first place, and by no later than two days before the day of shareholder meeting. The written/electronic vote shall prevail if not withdrawn before the cutoff time. If a shareholder exercises vote in writing or through electronic means and at the same time delegates a proxy to attend shareholder meeting, the voting decision exercised by the proxy shall prevail.</p> <p>Unless otherwise regulated by The Company Act or stated in the Articles of Incorporation, a motion is passed when supported by shareholders representing more than half of total voting rights in the meeting. When voting, the chairperson or delegate thereof shall announce the total number of voting rights represented by attending shareholders for every motion discussed, and have shareholders vote on a case-by-case basis. Details including the number of votes in favor, against, and abstained for each discussion shall be uploaded onto MOPS on the same day the shareholder meeting ends.</p> <p>In cases where several amendment or</p>	<p>mentioned in the preceding Paragraph, are considered to have participated in the shareholder meeting in person, but waived their rights to participate in any special motion or any amendment to regular motions that may arise during the shareholder meeting. Written and electronic voting instructions, as mentioned in the preceding Paragraph, shall be delivered to the Company at least 2 days before the shareholder meeting. In the event of duplicate submissions, the earliest submission shall be taken into record. However, this excludes situations where a proper declaration is issued to withdraw the previous arrangement.</p> <p>Shareholders who wish to attend the shareholder meeting in person after exercising their voting rights in writing or using electronic methods are required to withdraw their votes using the same method by which the vote was cast in the first place, and by no later than two days before the day of shareholder meeting. The written/electronic vote shall prevail if not withdrawn before the cutoff time. If a shareholder exercises vote in writing or through electronic means and at the same time delegates a proxy to attend shareholder meeting, the voting decision exercised by the proxy shall prevail.</p> <p>Unless otherwise regulated by The Company Act or stated in the Articles of Incorporation, a motion is passed when supported by shareholders representing more than half of total voting rights in the meeting. When voting, the chairperson or delegate thereof shall announce the total number</p>	<p>shareholders who participate in shareholder meetings via video conference may have ample time to vote on all regular motions from the time chairperson announces commencement of meeting until the voting deadline. Furthermore, counting votes collectively can better accommodate the time of those who participate via video conference.</p> <p>4. Added Paragraph 11 so that, if a physical shareholder meeting is held in conjunction with video conference, shareholders who wish to attend the physical meeting personally after registering for the video conference are required to withdraw registration using the same method by which registration was submitted in the first place by no later than two days before the shareholder meeting. Shareholders who do not withdraw registration in time may only participate in the shareholder meeting via video conference.</p> <p>5. According to the interpretations given by the authority, shareholders who exercise voting rights through the electronic method without expressing any intent of withdrawal are not entitled to propose amendment to the regular motion or exercise voting rights on</p>

Clause	Amended clause	Existing clause	Notes
	<p>alternative solutions have been proposed at the same time, the chairperson shall determine the order in which proposals are to be voted. If any solution is passed, all other proposals shall be deemed rejected and no further voting is necessary. The chairperson shall appoint ballot examiners and ballot counters to support the voting process. The ballot examiner shall be a shareholder. Motion and election votes are to be counted openly at the shareholder meeting. Results of the vote, including the final tally, shall be announced on-site and recorded in minutes.</p> <p><u>In the case of virtual shareholder meeting, shareholders who participate via video conference shall vote on various motions and elections over the video conferencing platform, and may do so from the time the chairperson announces commencement of meeting until the voting deadline. Voting rights that are not exercised past the deadline are deemed to have abstained.</u></p> <p><u>In the case of virtual shareholder meeting, votes shall be collectively counted after the chairperson announces that the voting session has ended. Outcomes of the motion and election are to be announced immediately.</u></p> <p><u>If a physical shareholder meeting is held in conjunction with video conference, shareholders who wish to attend the physical meeting personally after registering for the video conference in accordance with Article 6 will be required to withdraw their registration using the same method by which the registration was submitted in the first place by no later than two days before the shareholder meeting. Shareholders who do not withdraw registration in time may only participate in the shareholder meeting via video conference.</u></p> <p><u>Shareholders who exercise voting rights in writing or using electronic method without expressing intent to</u></p>	<p>of voting rights represented by attending shareholders for every motion discussed, and have shareholders vote on a case-by-case basis. Details including the number of votes in favor, against, and abstained for each discussion shall be uploaded onto MOPS on the same day the shareholder meeting ends. In cases where several amendment or alternative solutions have been proposed at the same time, the chairperson shall determine the order in which proposals are to be voted. If any solution is passed, all other proposals shall be deemed rejected and no further voting is necessary.</p> <p>The chairperson shall appoint ballot examiners and ballot counters to support the voting process. The ballot examiner shall be a shareholder. Motion and election votes are to be counted openly at the shareholder meeting. Results of the vote, including the final tally, shall be announced on-site and recorded in minutes.</p>	<p>subsequent amendments; however, these shareholders may still attend shareholder meetings, raise special motions on-site, and exercise voting rights on special motions on the day of meeting. Considering that the written form and the electronic form are two different methods of exercising the same right, votes exercised in writing shall be treated in the same principles as votes exercised through electronic method for fairness and protection of shareholders' interests. For this reason, it has been specified in Paragraph 12 that shareholders who exercise voting rights in writing or using electronic method without expressing intent to withdraw may still register to participate in shareholder meeting via video conference, but are unable to propose amendment to the regular motion or vote on the regular motion or amendments thereof; however, they are still entitled to raise and vote on special motions.</p>

Clause	Amended clause	Existing clause	Notes
	<u>withdraw and have participated in the shareholder meeting via video conference may no longer vote on the regular motion or amendment thereof, except in the case of special motions.</u>		
Article 15	<p>Shareholder meeting resolutions shall be compiled into detailed minutes, signed or sealed by the chairperson, and disseminated to each shareholder by no later than 20 days after the meeting. Preparation and distribution of meeting minutes can be made in electronic form.</p> <p>The Company may disseminate meeting minutes by announcing details over MOPS.</p> <p>The minutes shall detail the date and venue of the meeting, the chairperson's name, the method of resolution, the proceeding, and voting results of various motions (including weight). If director election is held during the meeting, the minutes shall disclose the number of votes received by each candidate. Minutes shall be retained indefinitely for as long as the Company exists.</p> <p><u>In the case of virtual shareholder meeting, the meeting minutes shall record not only the details mentioned in the preceding Paragraph, but also: the start and end time of meeting; the form of meeting; name of chairperson and minutes taker; methods of resolving malfunction of the video conferencing platform or discontinuance of live stream due to natural disaster, manmade incident, or other force majeure event; and how disruptions are handled.</u></p> <p><u>When hosting a virtual shareholder meeting, the Company shall proceed according to the rules outlined in the preceding Paragraph and state in the meeting minutes any alternative measures for shareholders who have difficulties participating in the shareholder meeting via video conference.</u></p>	<p>Shareholder meeting resolutions shall be compiled into detailed minutes, signed or sealed by the chairperson, and disseminated to each shareholder by no later than 20 days after the meeting. Preparation and distribution of meeting minutes can be made in electronic form.</p> <p>The Company may disseminate meeting minutes by announcing details over MOPS.</p> <p>The minutes shall detail the date and venue of the meeting, the chairperson's name, the method of resolution, the proceeding, and voting results of various motions (including weight). If director election is held during the meeting, the minutes shall disclose the number of votes received by each candidate. Minutes shall be retained indefinitely for as long as the Company exists.</p>	<p>1. No amendment was made to Paragraphs 1-3.</p> <p>2. Added Paragraph 4 that requires the Company to record details such as: the start and end time of meeting; the form of meeting; name of chairperson and minutes taker; appropriate alternative measures for shareholders who have difficulties participating in the shareholder meeting via video conference; methods of resolving malfunction of the video conferencing platform or discontinuance of live stream due to force majeure event; and how disruptions are handled into shareholder meeting minutes, in addition to the mandatory details mentioned in Paragraph 3, so that shareholders may have a better understanding of the meeting outcomes, the alternative measures available for digitally disadvantaged shareholders, and the Company's approach to signal disruptions.</p>
Article 16	On the day of the shareholder meeting, the Company shall disclose	On the day of the shareholder meeting, the Company shall	1. The Company is required to make clear

Clause	Amended clause	Existing clause	Notes
	<p>information on the number of shares acquired by proxy form acquirers, the number of shares represented by proxies, and the number of shares with voting rights exercised in writing or through the electronic method at the meeting venue using the prescribed format. <u>In the case of virtual shareholder meeting, the Company shall upload the above data onto the video conferencing platform at least 30 minutes before the meeting commences, and disclose continuously until the meeting ends. Upon commencement of a virtual shareholder meeting, the total number of shares represented at the meeting shall be disclosed over the video conferencing platform. The same requirement applies whenever the total number of shares and voting rights are counted over the course of the meeting.</u></p> <p>The Company shall disclose on MOPS in a timely manner any shareholder meeting resolutions that constitute material information as defined by law or the rules of Taipei Exchange.</p>	<p>disclose information on the number of shares acquired by proxy form acquirers and the number of shares represented by proxies at the meeting venue using the prescribed format.</p> <p>The Company shall disclose on MOPS in a timely manner any shareholder meeting resolutions that constitute material information as defined by law or the rules of Taipei Exchange.</p>	<p>disclosures on the number of shares acquired by proxy form acquirers, the number of shares represented by proxies, and the number of shares that have voting rights exercised in writing or using the electronic method at the shareholder meeting venue, so that shareholders can be better informed.</p> <p>Paragraph 1 is amended so it becomes mandatory for the Company to upload such information onto the video conferencing platform when hosting virtual shareholder meetings.</p> <p>2. Added Paragraph 2 that requires the Company to disclose the total number of shares represented at the meeting onto the video conferencing platform as soon as the meeting commences, and to update the video conferencing platform whenever the total number of shares and voting rights are counted over the course of the meeting, so that shareholders who participate in the meeting via video conference can be better informed of whether the meeting has the minimum level of representation to proceed.</p>
Article 19	<p><u>In the case of virtual shareholder meeting, the Company shall upload the outcome of each motion and election over the video conferencing platform in a manner that conforms with rules immediately at the end of</u></p>		<p>1. This Article is added anew.</p> <p>2. The Article was added to allow sufficient time of disclosure, so that shareholders who</p>

Clause	Amended clause	Existing clause	Notes
	<p><u>each voting session, and disclose continuously for at least 15 minutes after adjournment is announced by the chairperson.</u></p>		<p>participate in the shareholder meeting via video conference can be informed of the outcome of each motion and election in a timely manner.</p>
Article 20	<p><u>When hosting a virtual shareholder meeting, both the chairperson and the minutes taker shall be at the same domestic location, and the address of which is to be announced by the chairperson when the meeting commences.</u></p>		<ol style="list-style-type: none"> <li>1. This Article is added anew.</li> <li>2. The Article ensures that both the chairperson and the minutes taker are at the same domestic location if the shareholder meeting is to proceed solely via video conference without a physical venue. By having the chairperson announce their address upon commencement of meeting, shareholders can be better informed of the chairperson's location.</li> </ol>
Article 21	<p><u>In the case of virtual shareholder meeting, the Company may conduct a simple connection test before the meeting and offer services before and during the meeting to help participants resolve communication and technical issues.</u></p> <p><u>In the case of virtual shareholder meeting, the chairperson shall, upon commencement of the meeting, announce to participants the meeting's postponement or resumption date set in the next 5 days if the video conferencing platform malfunctions or if the live stream discontinues persistently for 30 minutes or longer due to natural disaster, manmade incident, or other force majeure event before adjournment, except for the situations outlined in Paragraph 4, Article 44-20 of Regulations Governing the Administration of Shareholder Services of Public Companies in which postponement or premature adjournment of meeting is not required, and that</u></p>		<ol style="list-style-type: none"> <li>1. This Article is added anew.</li> <li>2. Paragraph 1 was added after observing foreign practices. By conducting connection test before meeting and offering technical assistance during meeting, the Company will be able to reduce communication issues throughout the video conference.</li> <li>3. Added Paragraph 2 so that when the Company hosts a virtual shareholder meeting, the chairperson is required to announce upfront upon commencement of meeting the meeting's postponement or resumption date set in the next 5 days if the video conferencing platform malfunctions or</li> </ol>

Clause	Amended clause	Existing clause	Notes
	<p><u>postponement/premature adjournment is not subject to Article 182 of The Company Act.</u></p> <p><u>If meeting is to be postponed or prematurely adjourned in any of the situations described in the preceding Paragraph, shareholders who did not register for the original virtual shareholder are unable to participate in the postponed/adjourned meeting.</u></p> <p><u>If meeting is to be postponed or prematurely adjourned in any of the situations described in Paragraph 2, shareholders who registered and completed admission for the original virtual shareholder meeting but do not participate in the postponed/adjourned meeting will still have the number of shares and exercised votes counted towards total shares and votes during the postponed/adjourned meeting.</u></p> <p><u>When postponing or resuming a virtual shareholder meeting in any of the situations described in Paragraph 2, any motions that already completed the voting and vote count with the final outcome announced and any director or supervisor election that has already been concluded during the meeting need not be discussed or resolved again.</u></p> <p><u>If a physical shareholder meeting is held in conjunction with video conference and the video conference discontinues for any of the reasons described in Paragraph 2 but the number of shares represented on-site still exceeds the legal minimum after excluding those who participated via video conference, the shareholder meeting shall proceed as normal and need not be postponed or prematurely adjourned in the manner described in Paragraph 2.</u></p> <p><u>If the meeting is to proceed as normal in the situation outlined above, shareholders who participate in the meeting via video conference shall have all of their shares counted towards the total number of shares represented at the meeting, but are</u></p>		<p>if the live stream discontinues persistently for 30 minutes or longer due to natural disaster, manmade incident, or other force majeure event before adjournment, and that this postponement/premature adjournment is not subject to shareholders' resolution under Article 182 of The Company Act. This Article does not apply to situations where video conference has failed due to the intentional fault or negligence of the Company, the video conference service provider, the shareholders, the proxy form acquirers, or proxies.</p> <p>4. Added Paragraph 3 to specify that shareholders (including proxy form acquirers and proxies) who do not register to participate in the original meeting via video conference may not participate in the postponed/adjourned meeting according to Paragraph 2, Article 44-20 of Regulations Governing the Administration of Shareholder Services of Public Companies, if the meeting is postponed or prematurely adjourned for any of the reasons mentioned in Paragraph 2. As for the situation where physical shareholder meeting is held in conjunction with video conference, shareholders who initially attend the physical meeting may choose to</p>

Clause	Amended clause	Existing clause	Notes
	<p><u>considered to have waived the right to vote on all motions of the shareholder meeting.</u></p> <p><u>If meeting is postponed or prematurely adjourned for any of the situations outlined in Paragraph 2, the timelines of various preparation works specified in Paragraph 7, Article 44-20 of Regulations Governing the Administration of Shareholder Services of Public Companies shall apply to the date of the original shareholder meeting.</u></p> <p><u>The timelines mentioned in the latter part of Article 12 and Paragraph 3, Article 13 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies and Paragraph 2, Article 44-5, Article 44-15, and Paragraph 1, Article 44-17 of Regulations Governing the Administration of Shareholder Services of Public Companies shall apply to the date of the meeting postponed/prematurely adjourned under Paragraph 2.</u></p>		<p>participate in the postponed/adjourned meeting physically, and amendments were made to explain this point.</p> <p>5. If a meeting is postponed or prematurely adjourned in any of the situations described in Paragraph 2, the Company is bound by Paragraph 3, Article 44-20 of Regulations Governing the Administration of Shareholder Services of Public Companies to include all shares represented by shareholders (including proxy form acquirers and proxies) who registered and completed admission in the original virtual shareholder meeting but do not participate in the postponed/adjourned meeting and all voting rights exercised on motions and elections during the original meeting when calculating total representation and the total number of votes exercised in the postponed/adjourned meeting. Paragraph 4 was added to explain this point.</p> <p>6. In the event that a virtual shareholder meeting is disrupted due to communication fault and has to be postponed or prematurely adjourned until a later date, any motion or director/supervisor election that has already been voted, counted, and has the final outcome announced during the original meeting can be</p>

Clause	Amended clause	Existing clause	Notes
			<p>deemed resolved, and the Company may choose to forgo further discussion and resolution to save time and cost on the postponed/adjourned meeting. Paragraph 5 was added to explain this point.</p> <p>7. Considering that a physical shareholder meeting held in conjunction with video conference would still be able to proceed despite a malfunction in the video conferencing platform or a disruption of live stream, the physical shareholder meeting shall be allowed to proceed if the number of shares represented on-site still exceed the legal minimum after excluding those who participate via video conference, and therefore shall not be postponed or prematurely adjourned until a later date according to Paragraph 2. Paragraph 6 was added to explain this point.</p> <p>8. If the Company encounters any of the occurrences described in Paragraph 2 and decides to proceed with the meeting without postponement or premature adjournment, the Company is bound by Paragraph 5, Article 44-20 of Regulations Governing the Administration of Shareholder Services of Public Companies to include all shares represented by shareholders (including proxy form acquirers and proxies) who participate</p>



Clause	Amended clause	Existing clause	Notes
			<p>in the virtual shareholder meeting when calculating total representation. However, these shareholders would be deemed to have waived their rights to vote on all motions in the current shareholder meeting. Paragraph 7 was added to explain this point.</p> <p>9. Considering that the postponed or adjourned meeting is identical in nature to the original shareholder meeting, the Company needs not undergo the preparations listed in Paragraph 7, Article 44-20 of Regulations Governing the Administration of Shareholder Services of Public Companies separately for the postponed or adjourned meeting. Paragraph 8 was added to explain this point.</p> <p>10. If a virtual shareholder meeting is postponed, the Company would be required to disclose to shareholders the mandatory details mentioned in Article 12 and Paragraph 3, Article 13 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies and Paragraph 2, Article 44-5, Article 44-15, and Paragraph 1, Article 44-17 of Regulations Governing the Administration of Shareholder Services of Public Companies on the day of the postponed/adjourned meeting. Paragraph 9 was</p>

Clause	Amended clause	Existing clause	Notes
			added to explain this point.
Article <u>22</u>	<u>When hosting a virtual shareholder meeting, the Company shall provide appropriate alternative measures for shareholders who have difficulties participating in the shareholder meeting via video conference.</u>		1. This Article is added anew. 2. Considering that digitally disadvantaged shareholders may have difficulties participating in the virtual shareholder meeting, the Company shall provide appropriate alternative measures, such as allowing them to exercise votes in writing or leasing out essential equipment for them to take part.
Article <u>23</u>	The above rules shall take effect immediately once approved during shareholder meeting; the same applies to all subsequent revisions.	The above rules shall take effect immediately once approved during shareholder meeting; the same applies to all subsequent revisions.	Adjusted article numbering to accommodate the newly added article

## Appendix 10

### E Ink Holdings Inc.

#### Procedures of Acquisition or Disposal of Asset

(Amendment draft)

##### Article 1: Purpose

The Procedures are hereby stipulated to secure investment, enforce transparent disclosure of information, and enhance the Company's asset acquisition or disposal management practices.

##### Article 2: Basis

The Procedures have been established according to Article 36-1 of the Securities Exchange Act (hereinafter referred to as the Act) and relevant provisions of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" promulgated by the Financial Supervisory Commission of the Executive Yuan.

##### Article 3: Scope of assets

The Procedures are applicable to the following assets:

1. Shares, government bonds, corporate bonds, bank debentures, securities representing fund entitlements, depository receipts, call (put) options, beneficiary securities, and asset-backed securities.
2. Real estate (including land, building, investment properties, and construction inventory) and equipment.
3. Membership.
4. Patents, copyrights, trademarks, franchise, and other intangible assets.
5. Right-of-use asset.
6. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
7. Derivatives.
8. Assets acquired or disposed of through legal merger, divestment, acquisition, or share exchange.
9. Other major assets.

##### Article 4: Definitions

1. Derivatives: refer to forward contracts, option contracts, futures contracts, leverage guarantee contracts, swap contracts, any combination of the above, or structured contracts/products with embedded derivatives where the values are derived from interest rate, price of financial instrument, commodity price, exchange rate, price/rate index, credit rating, credit index, or other variables. The term forward contracts does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) agreements.
2. Assets acquired or disposed of through legal merger, divestment, acquisition or share exchange:  
Refer to assets acquired or disposed of during a merger, divestment, or acquisition in accordance with the Business Mergers And Acquisitions Act, Financial Holding Company Act, The Financial Institutions Merger Act, or other relevant laws, or new shares issued in exchange of another company's shares (i.e. share exchange) under Article 156-3 of The Company Act.

3. Related party or subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
4. Professional valuer: Refers to real estate valuer or anyone who is permitted by law to perform valuation on real estate properties and other fixed assets.
5. Date of occurrence: Refers to the earliest of the signing date, payment date, deal date, date of ownership transfer, board of directors' resolution date, or any other dates when the transaction counterparty and the amount can be verified with certainty. However, for investments that are subject to the approval of the authority, the date of occurrence shall be determined as the earlier between the above dates and the date approved by the authority.
6. Mainland investments: Refer to investment projects in the Mainland that are either approved by the Investment Commission, Ministry of Economic Affairs, or permitted under Regulations Governing Investment or Technological Collaboration in the Mainland.
7. Over-the-counter venue ("OTC venue", "OTC"): A domestic OTC venue refers to a venue for OTC trading that has been made available by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; a foreign OTC venue refers to a venue within a financial institution that operates under the supervision of the foreign securities authority and is permitted to conduct securities service. Total assets: Refers to the amount of total assets shown in the latest standalone or separate financial reports prepared according to the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
8. Total assets: Refers to the amount of total assets shown in the latest standalone or separate financial reports prepared according to the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
9. Paid-in capital: If the Company has issued shares without face value or at face values other than NT\$10 per share, the 20% paid-in capital transaction limit shall be calculated at 10% of equity attributable to parent company shareholders instead.
10. All members of the Audit Committee and all directors: Refer to those who are currently in active duty.

Article 5: For any valuation report or opinion statement obtained from CPA, lawyer, or securities underwriter, the valuation firm, valuer, CPA, lawyer, or securities underwriter shall satisfy the following requirements:

1. No previous violation against the Act, The Company Act, the Banking Act, the Insurance Act, the Financial Holding Company Act, or Regulation on Business Entity Accounting Handling, and no conviction of fraud, breach of trust, embezzlement, forgery, or any crime relating to business activities that results in a sentence of one-year imprisonment or higher. This excludes situations where three years have passed since the subject has served the sentence, endured the probation period, or is pardoned of the crime.
2. Must not be related to the transaction counterparty.
3. In situations where the Company is required to obtain valuation reports from two or more professional valuers, the valuation firms or valuers shall not be related in any way.

The abovementioned personnel shall follow self-discipline rules of their respective associations and the principles below when issuing valuation reports or opinions:

1. Assess own professional capacity, practical experience, and independence before undertaking the case.
2. When executing cases, make appropriate plans and procedures, and execute

accordingly to form conclusions, reports, or opinions; complete all relevant worksheets with details on the executed procedures, the collected data, and the final conclusion.

3. Evaluate the appropriateness and rationality of the data, parameters, and information used to issue a valuation report or opinion.
4. Issue declarations on the professionalism and independence of relevant personnel, the appropriateness and rationality of information used, and compliance-related matters.

#### Article 6: Scope and limit of investment

Limits for the Company's investments by asset category are as follows:

1. The total amount of property and equipment for non-operating use and right-of-use assets thereof shall not exceed the shareholders' equity of the Company.
2. The total amount of investment in negotiable securities shall not exceed 3 times of shareholders' equity of the Company.
3. The total amount of investment in any particular negotiable securities shall not exceed 1.5 times of shareholders' equity of the Company.
4. The amount of membership or intangible assets acquired or disposed of shall not exceed 50% of shareholders' equity of the Company.
5. The total amount of investment in Mainland China shall not exceed the limit specified by relevant competent authorities for investment in Mainland China.

Acquisition of non-operating real estate property, right-of-use assets thereof, or negotiable securities by subsidiaries and 2nd-tier subsidiaries of the Company shall be subject to the aggregate limits and single-asset limits established by the respective subsidiaries or 2nd-tier subsidiaries. Furthermore, these acquisitions shall not exceed the Company's aggregate limits on non-operating real estate property and negotiable securities and single-asset limits on negotiable securities.

#### Article 7: Assessment Procedures for the Acquisition or Disposal of Assets

##### 1. Acquisition or disposal of negotiable securities

(1) For negotiable securities acquired from or disposed of in centralized securities exchange market or over-the-counter (OTC) market, the handler shall present the reason of acquisition or disposal, the underlying asset, pricing reference, and other matters for approval according to the Company's Equity Securities Investment Limit or Level of Approval Authority, and forward to the responsible unit to make decisions.

(2) For negotiable securities not acquired from or disposed of in centralized securities exchange market or over-the-counter (OTC) market, the handler shall present the reason of acquisition or disposal, the underlying asset, the trading counterparties, transfer price, collection or payment terms, pricing reference, and other matters for approval according to the Company's Equity Securities Investment Limit or Level of Approval Authority, and forward to the responsible unit to make decisions.

2. When acquiring or disposing of property or other assets, the handler shall present the reason of acquisition or disposal, the underlying asset, the trading counterparties, transfer price, payment or collection terms, price reference and other matters for approval according to the Company's Equity Securities Investment Limit or Level of Approval Authority, and forward to the responsible unit to make decisions.

#### Article 8: Procedure for determining the transaction terms and the transaction process

1. Methods and basis for determining asset acquisition/disposal prices:

(1) Acquisition or disposal of negotiable securities

1. For negotiable securities traded in centralized securities exchange market or over-the-counter (OTC) market, the price shall be determined according to the current market price of the negotiable securities.
2. For negotiable securities not acquired from or disposed of in centralized securities exchange market or over-the-counter (OTC) market, the price shall be determined according to the industry, business performance, and the industrial and market condition of peers. The price-to-book ratio approach, price-to-earnings ratio approach or cost approach can be chosen as the assessment method. The average transaction price of peers in the latest month in the centralized securities exchange market can be taken as reference.

(2) Acquisition or disposal of other assets shall be priced through price comparison, price negotiation, bidding or other approaches.

2. Acquisition or disposal of assets shall be handled by the responsible unit according to the Company's Equity Securities Investment Limit or the Level of Approval Authority, and submitted to the responsible unit for decisions.

(1) Equity Securities Investment Limit:

Decision-making unit Amount of transaction	Chairman	Board of Directors
Below NT\$300 million	Review and decision-making	
More than NT\$300 million		Review and decision-making

Note: Trading of government bonds, trading of bonds subject to buyback or resale conditions, and subscription or buying back of money market funds issued by domestic securities investment trust enterprise shall be handled according to the Level of Approval Authority. In which case, the limits stated herein do not apply.

(2) Acquisition or disposal of assets shall be handled according to the Level of Approval Authority, and submitted to the responsible unit for decisions.

3. The execution unit and transaction procedures for the Company's acquisition or disposal of assets are explained below:

- (1) For acquisition or disposal of assets listed in Subparagraph 1 of Article 3, relevant departments shall prepare analysis reports and proceed according to the Company's Negotiable Securities Investment Limit. Trading of government bonds, trading of bonds subject to buyback or resale conditions, and subscription or buying back of money market funds issued by domestic securities investment trust enterprise shall be handled according to the Level of Approval Authority. In which case, the terms stated herein do not apply.
- (2) Property and equipment: relevant departments shall prepare analysis report and proceed according to the Level of Approval Authority; if properties are acquired from or disposed of to related parties, Article 10 of this policy shall also apply.
- (3) Derivatives: relevant departments shall proceed according to Article 12

hereof.

- (4) Assets acquired or disposed of through mergers, divestments, acquisitions, or exchange of shares in accordance with law: relevant departments shall proceed according to Article 13 hereof.

Article 9: Except for transactions with domestic government agency and transactions that involve commissioned development of purchased land, commissioned development of leased land, and acquisition/disposal of equipment or right-of-use thereof relevant to business operations, all other acquisitions and disposals of property and equipment or right-of-use thereof that are subject to public announcement and amount to more than 20% of the Company's paid-in capital or NTD 300 million and above shall be supported with valuation reports issued by professional valuers prior to the date of occurrence. These transactions shall also comply with the following rules:

1. In special circumstances where the Company adopts restrictive pricing or uses a specific price to serve as pricing reference, the underlying transaction shall be resolved by the board of directors before proceeding. The same requirement applies to any change of transaction term thereafter.
2. For transactions that amount to more than NTD 1 billion, quotations from at least two professional valuers are needed.
3. If valuation concluded by the professional valuer exhibits any of the following, a certified public accountant shall be engaged to provide opinions with regards to the discrepant values and appropriateness of the transaction price unless the valued price is higher than the price of asset acquired or lower than the price of asset sold:
  - (1) The valued price differs from the transaction price by 20% or above.
  - (2) When valuation from 2 or more professional valuers differ by 10% or more.
4. Where professional valuation is used, the valuer's report shall be dated no further than 3 months from the contract date. However, if the report still applies to the same current value announced by the government and is no more than six months old, opinion can still be accepted from the original valuer.

Article 10: Related party transactions:

1. Acquisition and disposal of assets with related parties are subject to the resolution procedures and rationality assessments of the preceding and current Articles if they amount to 10% or more of the Company's total assets. In addition, a valuation report from a professional valuer or an opinion from a CPA shall be obtained in accordance with applicable rules to support the transaction. Calculation of amounts in this Paragraph shall comply with Article 11-1 of the Procedures.
2. With the exception of domestic government bonds, repurchase/resale agreements, and subscription/redemption of money market funds issued by domestic securities investment trust enterprises, any acquisition/disposal of real estate property or right-of-use thereof with a related party or any acquisition/disposal of asset other than real estate property or right-of-use thereof with a related party that amounts to more than 20% of the Company's paid-in capital, 10% of total assets, or NTD 300 million and above shall have the following information submitted to the Audit Committee; these transactions have to be supported by more than half of Audit Committee members followed by board of directors' approval before contract signing and payment. If the proposal is not agreed by more than half of all Audit Committee members, it can still be effected with the support of more than two-thirds of all directors; in which case, the Audit Committee's resolution shall be stated in board meeting minutes:
  - (1) The purpose, necessity, and expected benefits of the asset acquired or

disposed of.

- (2) The reasons for transacting with a related party.
- (3) Information relating to assessment on the rationality of transaction term, as mentioned in Paragraphs 3 and 6 of Article 10, for the acquisition of real estate property or right-of-use asset thereof from related party.
- (4) The date and price at which the related party originally acquired the real property, the original transaction counterparty, and original transaction counterparty's relationship to the Company and the related party.
- (5) A cash projection report for the next 12 months starting from the estimated contract month, with comments made on the necessity of the transaction and the rationality of capital usage.
- (6) Professional valuer's report or CPA's opinion obtained in accordance with the preceding Article.
- (7) Restrictions and other important terms of this transaction.

Transaction amounts mentioned in the preceding Paragraph shall be calculated according to Paragraph 2, Article 14. The one-year timeframe mentioned above shall date back one year from the date of occurrence. Transactions that have already been supported by the Audit Committee and approved by the board of directors and in a shareholder meeting in accordance with the Procedures can be excluded from calculation.

Any of the following transactions taking place between the Company and its subsidiary, or between subsidiaries in which the Company has 100% shareholding or capital contribution, may be carried out at the discretion of the Chairman, subject to board of directors' prior authorization and up to NTD 500 million, and raised for acknowledgment during the upcoming board meeting.

(1) Acquisition or disposal of operating equipment or right-of-use thereof.

(2) Acquisition or disposal of operating real estate or right-of-use thereof.

If the Company has appointed independent directors in accordance with the Act, independent directors' opinions shall be fully taken into consideration when the transaction is proposed for discussion among the board of directors in accordance with Paragraph 1. Any objections or reservations expressed by independent directors shall be detailed in board meeting minutes.

Should the Company or any of its subsidiaries that is not a domestic public company undertake any of the transactions described in Paragraph 2 for an amount exceeding 10% of the Company's total assets, the Company shall present all information listed in Paragraph 2 for approval during shareholder meeting before proceeding with contract signing and payment. This requirement does not apply to transactions between the Company and its subsidiary, or between its subsidiaries.

3. When acquiring property or right-of-use assets thereof from related parties, the following methods shall be followed to assess the reasonableness of the transaction cost (when jointly purchasing or leasing land and building of the same underlying asset, one of the following methods may be adopted to assess transaction costs separately for the land and building):

- (1) Add interests of necessary funding and any costs legally borne by the buyer onto the price of the related party transaction. Interests on necessary funding are calculated at the weighted average interest rate that the Company would have incurred if it finances the asset purchase in the year acquired. However, this rate shall not exceed the maximum lending rate for non-financial



institutions, as regulated by the Ministry of Finance.

- (2) If the related party had once pledged the property as collateral and borrowed from a financial institution, the value estimated by the financial institution shall be used as reference, provided that the financial institution had lent more than 70% of the property value for more than 1 year. This does not apply if the financial institution is a related party to one of the counterparties.
4. When acquiring real estate property or right-of-use thereof from a related party, the property cost or cost of right-of-use thereof shall be evaluated according to the preceding Paragraph. A certified public accountant shall also be engaged to verify and express opinions on the transaction.
5. Acquisition of real estate property or right-of-use thereof with a related party that meets any of the following conditions is exempted from the requirements described in the two preceding Paragraphs, but is still subject to Paragraph 2:
  - (1) The related party had acquired the real estate property or right-of-use thereof as a heritage or gift in the first place.
  - (2) 5 years have passed since the related party first acquired the real estate property or right-of-use thereof.
  - (3) The real estate property is acquired through a joint construction agreement with related party, or through commissioned development of purchased land or commissioned development of leased land with a related party.
  - (4) Acquisition of operating real estate property or right-of-use thereof between the Company and its subsidiary, or between subsidiaries in which the Company holds 100% direct or indirect ownership interest.
6. Paragraph 7 shall apply to real estate properties and right-of-use assets thereof acquired from related parties where the valuation methods described in Paragraph 3 of this Articles all conclude a value that is lower than the transaction price. However, this excludes the following circumstances where there is objective evidence and opinions from professional property valuers and certified public accountant to support the rationality of the transaction:
  - (1) The related party is acquiring or leasing bare land for new construction, in which case evidence can be raised to prove any of the following:
    - i. The value of bare land assessed based on the preceding Article plus the value of building, including construction cost and reasonable markup, exceeds the actual transaction price. The term "reasonable markup" is defined as the lower between the average gross profit margin of the related party's construction department in the last 3 years, or the latest gross profit margin of the entire construction industry published by the Ministry of Finance.
    - ii. Transaction completed by unrelated party within the preceding year involving other floor of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are considered similar after accounting for reasonable price discrepancies due to floor or regional differences in accordance with standard property market or leasing practices.
  - (2) Real estate property purchased or right-of-use assets leased or acquired from related party that involved comparable terms and sizes to other transactions in the neighboring district made by non-related parties in the nearby area in the past year.
  - (3) The term "transaction in the neighboring district" mentioned in (1) and (2)

refers to properties located in the same or nearby street within a 500-meter radius of the underlying property, or properties with similar government-announced current values. The term "similar-size transaction" refers to non-related transaction of area that is no smaller than 50% of the underlying property. The one-year timeframe mentioned above dates back one year from the date of occurrence on which the real estate property or right-of-use thereof is actually acquired.

7. The following rules shall apply to real estate properties and right-of-use thereof acquired from related parties where the valuation methods described in Paragraphs 3 to 6 of this Article all conclude a value that is lower than the transaction price:
  - (1) The Company shall provide special reserves equal to the difference between the transaction price and the assessed cost of real estate property or right-of-use in the same manner as described in Paragraph 1, Article 41 of the Act. This special reserve cannot be distributed as dividends or capitalized into share capital. Public companies that account the Company as an investment using the equity method shall also recognize a portion of the Company's special reserves according to their respective shareholding percentages, as required in Paragraph 1, Article 41 of the Act. Where the Company has made provision for special reserves according to the above, the special reserves can only be used if devaluation losses are recognized on the acquired or leased asset during revaluation or disposal, or when the lease contract is terminated, or if compensation or cost is incurred while restoring the asset to its original state, or if there is evidence to support the underlying rationale. In which case, use of special reserves is also subject to approval of the Financial Supervisory Commission.
  - (2) Article 218 of The Company Act shall apply mutatis mutandis to independent directors of the Audit Committee.
  - (3) Outcomes of (1) and (2) are to be reported during a shareholder meeting, whereas transaction details are to be disclosed in the annual report and the prospectus.
  - (4) If there is evidence to suggest that the transaction is outside business norms, the transaction shall also proceed according to the three preceding Subparagraphs of this Paragraph.

Article 11: Criteria for considering opinions of accountants when acquiring or disposing of assets

1. When acquiring or disposing of securities, the Company shall obtain the latest audited or auditor-reviewed financial statements of the securities issuer prior to the date of occurrence. Transactions that amount to 20% of the Company's paid-in capital or NTD 300 million or above shall be supported by CPA's opinion with regards to the rationality of the transaction price prior to the date of occurrence. However, this requirement does not apply to securities that are openly quoted in an active market or in circumstances where the Financial Supervisory Commission has regulated otherwise.
2. Except in situations where the counterparty is a domestic government agency, acquisition or disposal of membership, right-of-use thereof, or intangible asset that amounts to 20% of the Company's paid-in capital or NTD 300 million or above shall be supported by CPA's opinions issued prior to the date of occurrence in regards to the rationality of the transaction price.
3. For assets acquired or disposed of through court auctions, a documentary proof issued by the court can be used in place of the valuation report or CPA's opinions.

Article 11-1: Transaction amounts in the 3 preceding Articles shall be calculated in accordance with Paragraph 2, Article 14. The one-year timeframe mentioned shall date back from the date of occurrence of the current transaction. Transactions that have already been supported with expert's valuation or CPA's opinions in accordance with the Procedures can be excluded from calculation.

Article 12: Engagement in transaction of derivatives

1. Operating and hedging strategies

All derivatives traded shall be clearly distinguished between trading and non-trading purposes. The Company shall trade derivatives primarily for risk avoidance and implement sound internal control systems. Transaction counterparties shall be limited to financial institutions that have robust systems or have existing business relationship with the Company.

2. Areas of responsibility

(1) Transaction department

- i. Gathers market information, familiarizes with derivative characteristics and regulations, and assesses risks.
- ii. Conducts transactions within authorized limit and exercises risk management.
- iii. Provides sufficient and timely information to senior managers and assesses gains and losses on a regular basis.
- iv. Maintains a transaction log detailing the types and amounts of derivatives traded and the board approval date.

(2) Accounting department

- i. Confirming transactions.
- ii. Understanding the characteristics of each instrument, the structure of contract and transaction, and proper bookkeeping.
- iii. Assesses gains and losses of existing positions at each month-end.
- iv. Prepares regular financial statements and makes adequate disclosures.

3. Performance evaluation guidelines

(1) Transactions of derivatives shall be regularly assessed and have assessment reports submitted to the financial supervisor for review.

(2) When assessing performance, the performance shall be compared with the pre-determined assessment criteria on the assessment date, so that the assessment result can be taken as reference for future decision-making.

4. Maximum contract exposure and loss limit

(1) Maximum contract exposures are as follows:

- i. For non-trading purposes:
  - (i) Transactions undertaken to avoid foreign exchange risks: The sum of contracts shall not exceed the total amount of import and export transactions in the year.
  - (ii) Transactions undertaken to avoid interest rate risks: The sum of contracts shall not exceed the total amount of liabilities.
  - (iii) Transactions undertaken to avoid foreign exchange risks and interest rate risks of a particular project: The sum of contracts shall not exceed total budget for the project, and is subject to a cap of USD 10 million per project.
- ii. For trading purpose: Traders may trade within their limits approved on a case-by-case basis, subject to a cap of USD 10 million per approval.

(2) Aggregate and single-contract loss limits:

- i. The amount of realized and unrealized losses incurred on all derivative contracts the Company has signed shall not exceed 30% of the sum of all contracts.
- ii. The amount of realized and unrealized losses incurred on individual contract shall not exceed 30% of contract sum.

5. Operating procedures

- (1) Confirmation of trade position
- (2) Trend analysis and identification
- (3) Determining the hedging practice:
  - i. Transacted asset
  - ii. Trade position
  - iii. Target price and range
  - iv. Transaction strategy and form
- (4) Approval of acquisitions
- (5) Execution of transactions
  - i. Transaction counterparty: Limited to domestic and overseas financial institutions, unless approved by the financial supervisor.
  - ii. Trader: Any personnel assigned by the Company to execute derivative transactions shall be approved by the financial supervisor first and then notified to financial institutions that the Company has dealings with. Personnel not do not satisfy the above requirement may not engage in transactions.
- (6) Trade confirmation: Once transaction has been executed, the trader shall produce transaction documents and have them confirmed by the verifier to ensure that the terms of the transaction are consistent with the transaction document before submitting them to the responsible supervisor for approval.
- (7) Settlement: After the transaction has been correctly verified, the treasury unit shall designate a settlement personnel to prepare the payment and relevant documents, and complete settlement at the determined price on the settlement date.

6. Authorized limits

- (1) Derivative transactions for non-trading purposes are subject to the authorized limits below.

Approver	Financial supervisor	General Manager	Board of Directors
Contract sum			
Less than US\$2 million	Review and decision-making		
US\$2 million to NT\$10 million		Review and decision-making	
More than US\$10 million			Review and decision-making

- (2) All derivative transactions undertaken for non-trading purposes by personnel who have been authorized according to the Procedures shall be reported during the upcoming board of directors meeting.
- (3) Transaction of derivatives for trading purpose shall be approved by the board of directors on a case-by-case basis before proceeding.

7. Accounting treatment

Accounting treatment for financial instruments shall comply with International Accounting Standards and instructions of relevant authorities.

## 8. Internal control

### (1) Risk management measures

- i. Credit risk management: The Company shall transact primarily with banks it has existing business relationships with.
- ii. Market risk management: Transactions shall be limited to centralized securities exchanges and OTC markets.
- iii. Liquidity risk management: To ensure liquidity, traders shall confirm with treasury personnel that utilization of trade limit would not cause insufficient liquidity before proceeding with transaction.
- iv. Cash flow risk management: To ensure the stability of the Company's working capital, derivative transactions shall only be funded using proprietary capital, and trade decisions shall take into account the Company's cash flow forecast and capital requirements for the next 3 months.
- v. Operational risk management: Employees shall duly comply with authorized limits and operating procedures to avoid risks arising from operations.
- vi. Legal risk management: For the avoidance of legal risks, all bank documents shall be reviewed by legal affairs personnel before signing.

### (2) Internal control

- i. Traders, transaction verifiers, and settlement staff cannot be concurrently involved in each other's roles.
- ii. Traders shall forward transaction documents or contracts to the bookkeeping staff for record keeping.
- iii. The bookkeeping personnel shall verify records with the trader and post entries into the system on a regular basis.
- iv. The bookkeeping personnel shall maintain a transaction log detailing the types and amounts of derivatives traded, the board approval date, and all relevant matters that are subject to prudent assessment.
- v. Personnel involved in risk assessment, monitoring, and control shall be allocated to departments that are different from traders, transaction verifiers, and settlement staff, and shall report to the board of directors on a regular basis.

### (3) Regular assessment

- i. The Board of Directors shall designate the accounting supervisor to exercise supervision and control over risks of derivative transactions at all times according to the "Implementing Rules for Internal Control," and to assess regularly whether performance of transactions conforms with existing operating strategies and whether the risks borne are within the tolerable range.
- ii. The accounting supervisor shall assess, in the middle and at the end of each month, whether the risk management procedures adopted to avoid risks are appropriate and whether they are duly implemented according to the Procedures.
- iii. Hedging transactions conducted for business needs shall be evaluated on a regular basis.
- iv. If irregularities are found, the financial supervisor shall adopt appropriate

measures and report immediately to the board of directors. If the Company has independent directors in place, an independent director shall be present at the meeting to express opinions.

- v. The Company shall authorize relevant personnel to handle transaction of derivatives according to the Handling Procedures for the Acquisition and Disposal of Assets. All transactions shall be reported in the upcoming Board of Directors meeting.

9. Internal audit policy

- (1) Internal audit personnel shall follow provisions of the "Implementing Rules for Internal Audit" to regularly review the appropriateness of internal control for derivative transactions, and perform monthly audits on the trading department's compliance with "Handling Procedures for the Acquisition and Disposal of Assets" and analyze the trade cycle to form an audit report. Any major violation discovered shall be reported to independent directors of the Audit Committee in writing.
- (2) Pursuant to "Regulations Governing Establishment of Internal Control Systems by Public Companies," improvements to irregularities highlighted in the audit report mentioned in the above Paragraph shall be reported to the Securities and Futures Bureau.

Article 13: Merger, divestment, acquisition, and share exchange

- 1. Prior to commencing business merger, divestment, acquisition or share exchange, the Company shall engage a certified public accountant, lawyer, or securities underwriter to provide opinions with regards to the exchange ratio, the acquisition price, or the amount of cash or other properties distributed to shareholders before the proposal is presented for Audit Committee's review. These opinions are subject to the support of more than half of Audit Committee members, and shall be raised for discussion and resolution by the board of directors. However, experts' opinions are not required for mergers between the Company and subsidiaries in which it holds 100% direct or indirect ownership interest, and mergers between subsidiaries in which the Company holds 100% direct or indirect ownership interest.
- 2. Important details of the business merger, divestment, or acquisition shall be compiled into a public report and delivered to shareholders along with meeting advice and expert's opinions mentioned in the preceding Paragraph before the shareholder meeting. These documents will serve as reference for shareholders' decision on whether to support the merger, divestment, or acquisition. This excludes circumstances where the Company is exempted by law to resolve business merge, divestment, or acquisition through a shareholder meeting. If a resolution cannot be reached, or if the motion is voted down by shareholders due to insufficient attendees, insufficient votes, or other legal restrictions, the Company shall announce immediately to the public the causes of the discontinuance, any follow-up actions, and the estimated date of the next shareholder meeting.
- 3. Unless otherwise regulated by law or approved by Financial Supervisory Commission in advance under special circumstances, all participants of a business merger, divestment, or acquisition shall convene a board of directors meeting and a shareholder meeting on the same day to resolve the business merger, divestment, or acquisition.

Where a merger, divestment, acquisition, or share exchange involves a public-listed or OTC-traded company, the following information shall be documented and kept for 5 years:

- (1) Personnel profile: including the title, name, and ID card number (or passport number for foreigners) of any person involved in the planning or execution of merger, divestment, acquisition, or share exchange before the information is made public.
- (2) Important dates: including the date when the letter of intent or memorandum of understanding is signed, the date of engagement with financial or legal consultants, the date when contract is signed, and the date of board of directors meeting.
- (3) Important documents and minutes: including the merger/divestment/acquisition/share exchange plan, letter of intent or memorandum of understanding, major contracts, and board of directors meeting minutes.

Where a merger, divestment, acquisition, or share exchange involves a public-listed or OTC-traded company, all information listed in Subparagraphs 1 and 2 in the first section of this Paragraph shall be reported to the Financial Supervisory Commission over the online system using the prescribed format within two days from the board resolution date.

If a participant of the business merger, divestment, acquisition or share exchange is a non-public listed and non-OTC traded company, all public-listed and OTC-traded companies involved shall sign an agreement with the non-public listed/non-OTC traded company and execute the transaction according to Subparagraphs 3 and 4 of this Paragraph.

4. All parties involved or possessing knowledge of a merger, divestment, acquisition, or share exchange shall issue a written commitment not to disclose any information until the plan is made public. The written commitment shall also prohibit the trading of shares or securities of equity nature pertaining to the deal, whether in own name or in the names of others.
5. Terms including the share exchange ratio and the acquisition price cannot be changed except under the following circumstances; furthermore, these exceptional circumstances shall also be specified in the business merger, divestment, acquisition or share exchange contract:
  - (1) Cash issue and issuance of convertible bond, stock dividend, corporate bond with warrant, preferred share with warrant, warrant, and any securities of equity nature.
  - (2) Disposal of major assets or other conducts capable of influencing the Company's financial or business performance.
  - (3) An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.
  - (4) Adjustment for treasury stocks purchased by any participant of the business merger, divestment, acquisition, or share exchange.
  - (5) Changes to the organization or number of participants in a business merger, divestment, acquisition, or share exchange.
  - (6) Other circumstances specified in the contract under which the Company is permitted to make such changes, provided that the terms have been disclosed to the public.
6. When the Company engages in a business merger, divestment, acquisition or share exchange, the underlying contract shall address the Company's rights and obligations and specify the following details:
  - (1) How breach of contract is handled.

- (2) Treatment for any securities of equity nature issued by the non-surviving party of a merger or by the divested company, or any treasury stocks purchased.
  - (3) Amounts of treasury stock that participating companies may purchase after setting the exchange ratio and exchange date, and how the treasury stocks are treated.
  - (4) Treatment for any changes in the organization or the number of participating companies.
  - (5) The expected execution progress and the estimated date of completion.
  - (6) The estimated date of mandatory shareholder meeting and relevant procedures in case the project is not completed by the due date.
7. If the Company intends to engage in another business merger, divestment, acquisition, or share exchange after the initial business merger, divestment, acquisition, or share exchange is made public, all procedures or legal actions completed on the initial deal shall start afresh unless the total number of participants has decreased as a result of the second deal, and that a resolution has been made in a shareholder meeting to authorize the board of directors to change the terms of the initial deal; in which case, the Company needs not convene another shareholder meeting to resolve the board's decision.
  8. If the merger, divestment, acquisition, or share exchange involves a party that is not a public company, the Company shall sign an agreement with that particular party and execute the transaction according to the terms outlined in Paragraphs 3, 4, and 7 of this Article.

#### Article 14: Procedures for information disclosure

1. Asset acquisitions and disposals that involve any of the following shall be announced and reported within two days of occurrence over the website designated by the Financial Supervisory Commission using the prescribed format:
  - (1) Acquisition/disposal of real estate property or right-of-use asset thereof with a related party, or acquisition/disposal of asset other than real estate property and right-of-use asset thereof with a related party that amounts to more than 20% of paid-in capital, 10% of total assets, or NT\$300 million in value. This excludes trading of domestic government bond, repurchase/resale agreement, and subscription or redemption of money market funds issued by domestic securities investment trust companies.
  - (2) Mergers, divestments, business acquisitions, or share exchanges.
  - (3) Derivative transactions having accumulated losses more than the aggregate or individual contract caps prescribed in relevant procedures.
  - (4) Acquisition or disposal of operating equipment or right-of-use thereof with an unrelated party, and the transaction amount meets any of the following requirements:
    - i. The transaction amounts to over NT\$1 billion.
    - ii. Acquisition of real estate property in the form of development over purchased land, development over leased land, joint development with separate ownership, joint development with proportional holding, or joint development with partial sale, in which the Company expects to invest NTD 500 million or above.
  - (5) Transaction of assets other than the ones listed in (1)-(4), or investments into the Mainland that amount to 20% of the Company's paid-in capital or NTD 300 million or above. However, the following transactions can be excluded:



- i. Trading of domestic government bonds or foreign government bonds that have a credit rating no less than the sovereign rating of Taiwan.
  - ii. Repurchase/resale agreement, or subscription or redemption of money market funds issued by domestic securities investment trust companies.
2. Amounts of the above transactions shall be calculated based on the following:
  - (1) Amount per transaction.
  - (2) Cumulative amount of similar assets acquired from or disposed of to the same counterparty in the past one year.
  - (3) Cumulative amount of the same development project or right-of-use thereof acquired or disposed of (acquisitions and disposals accumulate separately) in the past one year.
  - (4) Cumulative amount of the same securities acquired or disposed of (acquisitions and disposals accumulate separately) in the past one year.
3. The "one-year" timeframe mentioned in the preceding Paragraph dates back one year from the date of occurrence. Transactions that have already been announced according to the Procedures can be excluded.
4. The Company shall provide monthly reports on all derivative transactions undertaken by the Company and any subsidiary that is not a domestic public company up until the end of the previous month, and submit such reports to the website designated by the Financial Supervisory Commission before the 10th calendar day of each month using the prescribed format.
5. If errors or omissions are discovered in any of the mandatory announcements that require correction, the Company shall start afresh and re-submit the entire announcement/report within two days from the date of knowledge.
6. All contracts, meeting minutes, transaction logs, valuation reports, and CPA's, lawyer's, or securities underwriter's opinions relevant to the acquisition or disposal of assets shall be retained within the Company for at least 5 years unless otherwise specified by law.
7. Should any of the following circumstances arise after the Company has announced or reported its transactions according to rules, the Company shall update all relevant information to the website designated by the Financial Supervisory Commission within two days after the date of occurrence:
  - (1) Any change, termination, or annulment of the original contract.
  - (2) The merger, divestment, acquisition, or share exchange is not completed before the scheduled date.
  - (3) Changes to the initially reported/announced details.

#### Article 15: Management of subsidiaries

1. Subsidiaries that are public companies shall comply with relevant provisions and stipulate their own "Procedures of Acquisition or Disposal of Asset" with the approval of their respective boards of directors, and report during their shareholder meetings as well as the Company's shareholder meeting. The same shall apply to subsequent amendments.
2. The Company shall also announce, report, and notify the authority of assets acquired or disposed of by any non-public company in which the Company controls more than 50% of voting rights, whether directly or indirectly through subsidiaries, that meet the announcement/reporting criteria. Where the reporting criteria mentions "20% of paid-in capital or 10% of total asset," the term specifically refers to the paid-in capital and total assets of the Company.

Article 16: If any relevant personnel is found to have violated the Procedures and relevant laws,

the Company shall, depending on the severity, issue warning, demerit, demotion, suspension, salary reduction or other treatment, and conduct internal review of the incident.

Article 17: Any matters that are not addressed in the Procedures shall be governed by applicable laws and rules of the Company.

Article 18: The Procedures are subject to the support of more than 50% of Audit Committee members, and shall be resolved by the board of directors and proposed for shareholders' approval before implementation. The same applies to all subsequent amendments. Should a director express objection on record or via written statement, the Company shall forward director's objection to independent directors of the Audit Committee.

If the Company has created independent director positions in compliance with the Act, independent directors' opinions shall be fully taken into consideration when the Procedures are proposed for discussion among the board of directors in accordance with the preceding Paragraph. Any objections or reservations expressed by independent directors shall be detailed in board meeting minutes.

If the proposal raised in Paragraph 1 is not agreed by more than half of all Audit Committee members, it can still be effected with the support of more than two-thirds of all directors; in which case, the Audit Committee's resolution shall be stated in board meeting minutes.

## E Ink Holdings Inc.

### Comparison of changes to Procedures of Acquisition or Disposal of Asset

After amendment	After amendment	Before amendment	Amendment reason
Paragraph 2, Article 5	<p>The abovementioned personnel shall follow <u>self-discipline rules of their respective associations</u> and the principles below when issuing valuation reports or opinions:</p> <ol style="list-style-type: none"> <li>1. Assess own professional capacity, practical experience, and independence before undertaking the case.</li> <li>2. <u>When executing</u> cases, make appropriate plans and procedures, and execute accordingly to form conclusions, reports or opinions; complete all relevant worksheets with details on the executed procedures, the collected data and the final conclusion.</li> <li>3. Evaluate the <u>appropriateness</u> and rationality of the data, parameters, and information used to issue a valuation report or opinion.</li> <li>4. Issue declarations on the professionalism and independence of relevant personnel, the <u>appropriateness and</u> rationality of information used, and compliance-related matters.</li> </ol>	<p>The abovementioned personnel shall follow the principles below when issuing valuation reports or opinions:</p> <ol style="list-style-type: none"> <li>1. Assess own professional capacity, practical experience, and independence before undertaking the case.</li> <li>2. <u>For audit cases</u>, make appropriate plans and procedures, and execute accordingly to form conclusions, reports or opinions; complete all relevant worksheets with details on the executed procedures, the collected data and the final conclusion.</li> <li>3. Evaluate the <u>completeness, correctness,</u> and rationality of the data, parameters, and information used to issue a valuation report or opinion.</li> <li>4. Issue declarations on the professionalism and independence of relevant personnel, the <u>correctness</u> and rationality of information used, and compliance-related matters.</li> </ol>	<p>1. Considering that external professionals are bound to perform services according to the rules of the associations they are affiliated with, such as self-discipline principles for professional valuers when preparing valuation report, and that other professional associations are also required to implement self-discipline principles for member businesses and professionals in accordance with Taiwan Stock Exchange Corporation's "Guidelines on Experts' Opinion," Paragraph 2 has been amended to outline the procedures and responsibilities to be observed by outside experts, such as professional valuers, CPAs, lawyers, or securities underwriters, when issuing valuation reports or opinions. In addition to the</p>

After amendment	After amendment	Before amendment	Amendment reason
			<p>items listed in Paragraph 2 of the existing clause, external professionals shall also observe self-disciplinary rules of the respective associations they are affiliated with.</p> <p>2. Considering that issuance of valuation report or rationality opinions under the procedures are different from financial statement audit service, the term "For audit cases" in Subparagraph 2, Paragraph 2 has been amended to "When executing cases" for broader applicability.</p>
Paragraph 3, Article 9	<p>3. If valuation concluded by the professional valuer exhibits any of the following, a certified public accountant shall be engaged to provide opinions with regards to the discrepant values and appropriateness of the transaction price unless the valued price is higher than the price of asset acquired or lower than the price of asset sold:</p> <p>(1) The valued price differs from the transaction price by 20% or above.</p> <p>(2) When valuation from 2 or more professional valuers differ by 10% or more.</p>	<p>3. If valuation concluded by the professional valuer exhibits any of the following, a certified public accountant shall be engaged to provide opinions with regards to the discrepant values and appropriateness of the transaction price <u>in accordance with Statement on Auditing Standards No. 20 published by the Accounting Research and Development Foundation of the Republic of China (ARDF)</u>, unless the valued price is higher than the price of asset acquired or lower than the price of asset sold:</p> <p>(1) The valued price differs from the transaction price by 20% or above.</p> <p>(2) When valuation from 2</p>	<p>Terms of Subparagraph 3, Paragraph 1 that require CPAs to follow Statement of Financial Accounting Standards No. 20 published by ARDF were deleted due to redundancy, considering that Article 5 has already been revised with additional requirements for external professionals to comply with self-discipline rules of the respective associations they are affiliated with.</p>

After amendment	After amendment	Before amendment	Amendment reason
		or more professional valuers differ by 10% or more.	
Paragraph 2, Article 10	<p>Related party transactions:</p> <p>2. With the exception of domestic government bonds, repurchase/resale agreements, and subscription/redemption of money market funds issued by domestic securities investment trust enterprises, any acquisition/disposal of real estate property or right-of-use thereof with a related party or any acquisition/disposal of asset other than real estate property or right-of-use thereof with a related party that amounts to more than 20% of the Company's paid-in capital, 10% of total assets, or NTD 300 million and above shall have the following information submitted to the Audit Committee; these transactions have to be supported by more than half of Audit Committee members followed by board of directors' approval before contract signing and payment. If the proposal is not agreed by more than half of all Audit Committee members, it can still be effected with the support of more than two-thirds of all directors; in which case, the Audit Committee's resolution shall be stated in board meeting minutes:</p> <p>(1) The purpose, necessity, and expected benefits of the asset acquired or disposed of.</p> <p>(2) The reasons for transacting with a</p>	<p>Related party transactions:</p> <p>2. With the exception of domestic government bonds, repurchase/resale agreements, and subscription/redemption of money market funds issued by domestic securities investment trust enterprises, any acquisition/disposal of real estate property or right-of-use thereof with a related party or any acquisition/disposal of asset other than real estate property or right-of-use thereof with a related party that amounts to more than 20% of the Company's paid-in capital, 10% of total assets, or NTD 300 million and above shall have the following information submitted to the Audit Committee; these transactions have to be supported by more than half of Audit Committee members followed by board of directors' approval before contract signing and payment. If the proposal is not agreed by more than half of all Audit Committee members, it can still be effected with the support of more than two-thirds of all directors; in which case, the Audit Committee's resolution shall be stated in board meeting minutes:</p> <p>(1) The purpose, necessity, and expected benefits of the asset acquired or disposed of.</p> <p>(2) The reasons for transacting with a</p>	<p>1. Additional terms were introduced to Subparagraph 2, Paragraph 1 (1) In an attempt to tighten management over related party transactions while enforcing the rights of minority shareholders of public companies to express opinions on related party transactions, the Company has amended the Procedures after taking into consideration rules of the world's major capital markets, such as Singapore and Hong Kong, which requires all material related party transactions to be approved in a shareholder meeting. Furthermore, to prevent public companies from circumventing shareholders' consent by engaging in material related party transactions through subsidiaries that are not domestic public companies, it has been explicitly stated in</p>

After amendment	After amendment	Before amendment	Amendment reason
	<p>related party.</p> <p>(3) Information relating to assessment on the rationality of transaction term, as mentioned in Paragraphs 3 and 6 of Article 10, for the acquisition of real estate property or right-of-use asset thereof from related party.</p> <p>(4) The date and price at which the related party originally acquired the real property, the original transaction counterparty, and original transaction counterparty's relationship to the Company and the related party.</p> <p>(5) A cash projection report for the next 12 months starting from the estimated contract month, with comments made on the necessity of the transaction and the rationality of capital usage.</p> <p>(6) Professional valuer's report or CPA's opinion obtained in accordance with the preceding Article.</p> <p>(7) Restrictions and other important terms of this transaction.</p> <p>Transaction amounts mentioned in the preceding Paragraph shall be calculated according to Paragraph 2, Article 14. The one-year timeframe mentioned above shall date back one year from the date of occurrence.</p>	<p>related party.</p> <p>(3) Information relating to assessment on the rationality of transaction term, as mentioned in Paragraphs 3 and 6 of Article 10, for the acquisition of real estate property or right-of-use asset thereof from related party.</p> <p>(4) The date and price at which the related party originally acquired the real property, the original transaction counterparty, and original transaction counterparty's relationship to the Company and the related party.</p> <p>(5) A cash projection report for the next 12 months starting from the estimated contract month, with comments made on the necessity of the transaction and the rationality of capital usage.</p> <p>(6) Professional valuer's report or CPA's opinion obtained in accordance with the preceding Article.</p> <p>(7) Restrictions and other important terms of this transaction.</p> <p>Transaction amounts mentioned in the preceding Paragraph shall be calculated according to Paragraph 2, Article 14. The one-year timeframe mentioned above shall date back one year from the date of occurrence.</p>	<p>the Procedures that any acquisition or disposal of assets with a related party, either by a public company or through any of its subsidiaries that is not a domestic public company, that amounts to more than 10% of the public company's total assets (as described in Paragraph 1) shall have relevant information presented for approval during shareholder meeting before proceeding. For non-public subsidiaries, shareholder meeting approval shall be sought from the immediate parent that meets the definition of a public company. (2) This addition was introduced to accommodate a public company's overall business plans with its parent and subsidiaries, and plans between subsidiaries. Exemption of shareholder meeting resolution on transactions between the above parties has</p>

After amendment	After amendment	Before amendment	Amendment reason
	<p>Transactions that have already been supported by the Audit Committee and approved by the board of directors <u>and in a shareholder meeting</u> in accordance with the Procedures can be excluded from calculation. Any of the following transactions taking place between the Company and its subsidiary, or between subsidiaries in which the Company has 100% shareholding or capital contribution, may be carried out at the discretion of the Chairman, subject to board of directors' prior authorization and up to NTD 500 million, and raised for acknowledgment during the upcoming board meeting.</p> <p>(3) Acquisition or disposal of operating equipment or right-of-use thereof.</p> <p>(4) Acquisition or disposal of operating real estate or right-of-use thereof.</p> <p>If the Company has appointed independent directors in accordance with the Act, independent directors' opinions shall be fully taken into consideration when the transaction is proposed for discussion among the board of directors in accordance with Paragraph 1. Any objections or reservations expressed by independent directors shall be detailed in board meeting minutes.</p> <p><u>Should the Company or any of its subsidiaries that is not a domestic public company</u></p>	<p>Transactions that have already been supported by the Audit Committee and approved by the board of directors in accordance with the Procedures can be excluded from calculation. Any of the following transactions taking place between the Company and its subsidiary, or between subsidiaries in which the Company has 100% shareholding or capital contribution, may be carried out at the discretion of the Chairman, subject to board of directors' prior authorization and up to NTD 500 million, and raised for acknowledgment during the upcoming board meeting.</p> <p>(5) Acquisition or disposal of operating equipment or right-of-use thereof.</p> <p>(6) Acquisition or disposal of operating real estate or right-of-use thereof.</p> <p>If the Company has appointed independent directors in accordance with the Act, independent directors' opinions shall be fully taken into consideration when the transaction is proposed for discussion among the board of directors in accordance with Paragraph 1. Any objections or reservations expressed by independent directors shall be detailed in board meeting minutes.</p>	<p>been introduced after taking into account the exemption rules of major capital markets mentioned above.</p> <p>(3) For material related party transactions that exhibit any of the conditions listed in Subparagraphs 1 to 3, Paragraph 1, Article 185 of The Company Act, the shareholder meeting resolution shall be made by way of special resolution as mentioned in Article 185 of The Company Act, and proceed according to the aforementioned requirements and relevant rules of The Company Act.</p> <p>2. Introduced new requirement to have transaction amount calculations approved in shareholder meeting.</p>

After amendment	After amendment	Before amendment	Amendment reason
	<p><u>undertake any of the transactions described in Paragraph 2 for an amount exceeding 10% of the Company's total assets, the Company shall present all information listed in Paragraph 2 for approval during shareholder meeting before proceeding with contract signing and payment. This requirement does not apply to transactions between the Company and its subsidiary, or between its subsidiaries.</u></p>		
Paragraph 6, Article 10	<p>Paragraph 7 shall apply to real estate properties and right-of-use <u>assets</u> thereof acquired from related parties where the valuation methods described in Paragraph 3 of this Articles all conclude a value that is lower than the transaction price. However, this excludes the following circumstances where there is objective evidence and opinions from professional property valuers and certified public accountant to support the rationality of the transaction: Subparagraphs (1)-(3): omitted</p>	<p>Paragraph 7 shall apply to real estate properties and right-of-use <u>assets</u> thereof acquired from related parties where the valuation methods described in Paragraph 3 of this Articles all conclude a value that is lower than the transaction price. However, this excludes the following circumstances where there is objective evidence and opinions from professional property valuers and certified public accountant to support the rationality of the transaction: Subparagraphs (1)-(3): omitted</p>	Revised wording to right-of-use "assets."
Article 11	<p>Criteria for considering opinions of accountants when acquiring or disposing of assets 1. When acquiring or disposing of securities, the Company shall obtain the latest audited or auditor-reviewed financial statements of the securities issuer prior to the date of occurrence. Transactions that amount to 20% of the Company's paid-in capital or NTD 300 million or above shall be supported by CPA's opinion with regards to the rationality of the transaction price prior to</p>	<p>Criteria for considering opinions of accountants when acquiring or disposing of assets 1. When acquiring or disposing of securities, the Company shall obtain the latest audited or auditor-reviewed financial statements of the securities issuer prior to the date of occurrence. Transactions that amount to 20% of the Company's paid-in capital or NTD 300 million or above shall be supported by CPA's opinion with regards to the rationality of the transaction price prior to</p>	Amended for the same reasons as described for Article 9.



After amendment	After amendment	Before amendment	Amendment reason
	<p>the date of occurrence. However, this requirement does not apply to securities that are openly quoted in an active market or in circumstances where the Financial Supervisory Commission has regulated otherwise.</p> <p>2. Except in situations where the counterparty is a domestic government agency, acquisition or disposal of membership, right-of-use thereof, or intangible asset that amounts to 20% of the Company's paid-in capital or NTD 300 million or above shall be supported by CPA's opinions issued prior to the date of occurrence in regards to the rationality of the transaction price.</p> <p>3. For assets acquired or disposed of through court auctions, a documentary proof issued by the court can be used in place of the valuation report or CPA's opinions.</p>	<p>the date of occurrence. <u>Should the CPA require an expert's opinion, one shall be obtained in accordance with Statement on Auditing Standards No. 20 published by ARDF.</u> However, this requirement does not apply to securities that are openly quoted in an active market or in circumstances where the Financial Supervisory Commission has regulated otherwise.</p> <p>2. Except in situations where the counterparty is a domestic government agency, acquisition or disposal of membership, right-of-use thereof, or intangible asset that amounts to 20% of the Company's paid-in capital or NTD 300 million or above shall be supported by CPA's opinions issued <u>according to Statement on Auditing Standards No. 20 published by ADRF</u> prior to the date of occurrence in regards to the rationality of the transaction price.</p> <p>3. For assets acquired or disposed of through court auctions, a documentary proof issued by the court can be used in place of the valuation report or CPA's opinions.</p>	
Subparagraph 5, Paragraph 1, Article 14	<p>(5) Transaction of assets other than the ones listed in (1)-(4), or investments into the Mainland that amount to 20% of the Company's paid-in capital or NTD 300 million or above. However, the following transactions can be excluded:</p> <p>1. Trading of domestic government bonds <u>or foreign government bonds that have a credit rating no less than the sovereign</u></p>	<p>(5) Transaction of assets other than the ones listed in (1)-(4), or investments into the Mainland that amount to 20% of the Company's paid-in capital or NTD 300 million or above. However, the following transactions can be excluded:</p> <p>1. Trading of domestic government bonds.</p> <p>2. Repurchase/resale agreement, or subscription or redemption of money</p>	Amended Item 5, Subparagraph 1, Paragraph 1 considering that public companies are no longer required to announce and report trading of domestic government bonds. Meanwhile,

After amendment	After amendment	Before amendment	Amendment reason
	<p><u>rating of Taiwan.</u></p> <p>2. Repurchase/resale agreement, or subscription or redemption of money market funds issued by domestic securities investment trust companies.</p>	<p>market funds issued by domestic securities investment trust companies.</p>	<p>trading of foreign government bonds that have an issuer rating no less than the sovereign rating of Taiwan is also exempted from public announcement and report.</p>
<p>Paragraph 1, Article 18</p>	<p>The Procedures are subject to the support of more than 50% of Audit Committee members, and shall be resolved by the board of directors and proposed for shareholders' approval before implementation. The same applies to all subsequent amendments. Should a director express objection on record or via written statement, the Company shall forward director's objection to independent directors of the Audit Committee.</p>	<p>The Procedures are subject to the support of more than 50% of Audit Committee members, and shall be resolved <u>by</u> the board of directors and proposed for shareholders' approval before implementation. The same applies to all subsequent amendments. Should a director express objection on record or via written statement, the Company shall forward director's objection to independent directors of the Audit Committee.</p>	<p>Deleted redundant word in Paragraph 1.</p>

## Appendix 11

### INFORMATION REGARDING REMUNERATION TO DIRECTORS AND EMPLOYEES

Details of directors' and employees' remuneration approved by the Board of Directors on March 11, 2022 are presented as follows, which will be executed pursuant to relevant rules once the resolution is passed at the general shareholders meeting on June 22, 2022.

Unit: NTD thousands

	Remuneration to employees	Remuneration to Directors	Total
Amount proposed by the Board of Directors	53,800	25,000	78,800
Amount recognized in the 2021 financial statements	53,800	25,000	78,800
Discrepancy	The amount proposed by the board of directors is the same as the amount recognized in financial statements.		

## Appendix 12

### IMPACT CAUSED BY STOCK DIVIDENDS ON BUSINESS PERFORMANCE, EARNINGS PER SHARE, AND RETURN ON EQUITY

Not applicable as the Company did not issue any stock dividends this year.

## Appendix 13

### E Ink Holdings Inc. Directors' Shareholding

Record Date: April 24, 2022

Title	Name	Shares held
Chairman	Johnson Lee	240,000
Director	S.C. Ho	
Director	Felix Ho	
Director	FY Gan	32,842,345
Director	Chuan-Chuan Tsai	
Director	Luke Chen	
Independent director	Po-Young Chu	0
Independent director	Donald Chang	0
Independent director	Hsi-Cheng Yen	0

Total	33,082,345
-------	------------

Note:

1. Outstanding shares as of April 24, 2022: 1,140,404,715 shares
2. Minimum required shareholding across all directors: 32,000,000 shares; shareholding across all directors as of April 24, 2022: 33,082,345 shares. Directors of the Company as a whole have met the minimum shareholding requirement.  
(Shares held by independent directors do not count toward directors' shareholding)

MEMO