

Stock code: 8069



**E INK HOLDINGS INC.**

**2024**  
**Annual General Meeting of Stockholders**  
**MEETING MANUAL**

**Date of meeting: May 29, 2024**

**Venue: The Company's 1F conference room**

**(No. 3, Lixing 1st Road, Hsinchu Science Park, Hsinchu City)**

**Form of meeting: Visual communication assisted shareholders meeting**

*(This English translation is prepared for reference only; if there are any discrepancies between the Chinese version and this English translation, the Chinese version should prevail.)*

## **Table of contents**

I. Meeting Agenda .....	3
II. Report Items.....	4
III. Adoption Items .....	6
IV. Questions And Motions .....	6

### **Appendix**

(1) Business Report .....	7
(2) 2023 Financial Staments .....	12
(3) Audit Committee's Review Report .....	27
(4) Board of Directors Meeting Rules .....	28
(5) Profit Distribution Statement for 2023 .....	34
(6) Articles of Incorporation .....	35
(7) Shareholders' Meeting Rules.....	40
(8) Information Regarding Remuneration to Directors and Employees .....	48
(9) Impact of Stock Grants on Company Business Performance, EPS, and Shareholder ROI.....	48
(10) Shareholdings of All Directors.....	48

**E Ink Holdings Inc.**  
**2024 Annual General Meeting**  
**Meeting Agenda**

Time: Wednesday, May 29, 2024, at 9:00 AM

Venue: The Company's 1F conference room

(No. 3, Lixing 1st Road, Hsinchu Science Park, Hsinchu City)

Form of meeting: Visual communication assisted shareholders meeting

Meeting Procedure:

1. Announcement of the Commencement

2. Chairman Remarks

3. Report Items:

- (1) 2023 Business Report and Financial Statements.
- (2) Audit Committee's Review Report on the 2023 Financial Statements.
- (3) Report on the distribution of remuneration for employees and directors of the Company for the year 2023.
- (4) Report on the distribution of cash dividends for the year 2023 by the Company.
- (5) Report on partial amendments to the Company's "Board of Directors Meeting Rules."

4. Adoption Items:

- (1) Adoption of the 2023 Business Report and Financial Statements
- (2) Adoption of the Proposal for Distribution of 2023 Profits.

5. Questions and Motions

6. Adjournment

## Report Items

[Motion 1]

Subject: 2023 Business Report and Financial Statements.

Explanation:

- (1) The net operating revenues of the company for 2023 was NT\$19,815,440 thousand on a standalone basis and NT\$27,119,755 thousand on a consolidated basis. The attributable net profit after tax to the company was NT\$7,814,326 thousand.
- (2) The earnings per share for 2023 were NT\$6.85.
- (3) Please refer to Appendices 1-2 for the business report and related financial statements.
- (4) Please acknowledge.

[Motion 2]

Subject: Audit Committee's Review Report on the 2023 Financial Statements.

Explanation:

- (1) The financial statements of the company for the year 2023 have been audited and signed by the CPA, and the audit reports, along with the business report and the proposal for profit distribution, have been reviewed by the audit committee and completed. Please refer to Appendices 1-3.
- (2) Please acknowledge.

[Motion 3]

Subject: Report on the distribution of remuneration for employees and directors of the Company for the year 2023.

Explanation:

- (1) According to Article 19 of the company's articles of association, "If the company makes a profit for the year, at least one percent (1%) shall be allocated for employee compensation, and not more than one percent (1%) shall be allocated for director remuneration."
- (2) In 2023, the company's profit before tax amounted to NT\$8,647,998 thousand. The profit (i.e., profit after tax, excluding the allocation for employee and director remuneration) was NT\$8,776,981 thousand (referred to as "profit"). According to the aforementioned article of the articles of association, it is proposed to allocate NT\$88,990 thousand for employee compensation and NT\$35,900 thousand for director remuneration from the profit. The percentages allocated for employee and director remuneration are in compliance with the company's articles of association. The remuneration will be paid in cash, and the recipients of the employee compensation include employees of subsidiary companies. The scope and conditions for the payment to employees of subsidiary companies are to be determined by the authorization of the Chairman.

(3) Please acknowledge.

[Motion 4]

Subject: Report on the distribution of cash dividends for the year 2023 by the Company.

Explanation:

- (1) According to Article 19-2 of the company's articles of association, when all or part of the profit distribution is proposed to be made in cash, the board of directors may make such a decision with the presence of two-thirds or more of the directors and the affirmative vote of more than half of the directors present, and report it to the shareholders' meeting.
- (2) The board of directors has resolved to distribute a cash dividend of NT\$4.5 per share for the year 2023, totaling NT\$5,140,771,808. The dividends will be distributed to shareholders based on the shareholders' register as of the ex-dividend date and the number of shares held, and will be rounded down to the nearest cent. Any amount less than NT\$1 will be credited to the capital surplus of the company.
- (3) The distribution ratio of this cash dividend is based on the actual outstanding shares of the company as of December 31, 2023. Subsequently, if there are any changes in the total outstanding shares due to the repurchase of company shares, transfer of treasury shares, cancellation, or other factors affecting the total outstanding shares, and if there are shareholders who waive their rights to dividends and bonuses, causing changes in the dividend distribution rate for shareholders, the adjustment will be made by the Chairman based on the total actual outstanding shares as of the dividend base date.
- (4) The ex-dividend date and other matters related to the distribution of dividends will be decided by the Chairman.
- (5) Please acknowledge.

[Motion 5]

Subject: Report on partial amendments to the Company's "Board of Directors Meeting Rules."

Explanation:

- (1) In accordance with the Letter No. 1130050875 issued by the Taiwan Stock Exchange Corporation on January 16, 2024, it is proposed to amend certain articles of the " Board of Directors Meeting Rules " of the company. This is to avoid disputes caused by the indefinite extension of board meetings and to ensure the smooth operation of the board. Additionally, to avoid disruptions to board operations, a provision will be added to allow the original article regarding the appointment of proxies to apply when the Chairman is unable to preside over the meeting due to unforeseen circumstances or fails to announce the adjournment of the meeting as required.
- (2) Please refer to Appendix 4 for the draft amendment to the Board of Directors Meeting Rules and the table comparing the articles.
- (3) Please acknowledge.

# Adoption Items

[Motion 1] (Proposed by the board of directors)

Subject: Adoption of the 2023 Business Report and Financial Statements

Explanation:

- (1)The CPA firm has audited the Company's standalone and consolidated financial statements for 2023.
- (2)The standalone and consolidated financial statements, along with 2023 business report, are attached in Appendices 1-2.

Resolution:

[Motion 2] (Proposed by the board of directors)

Subject: Adoption of the Proposal for Distribution of 2023 Profits.

Explanation:

- (1)The initial undistributed earnings of the company amount to NT\$8,601,037,136. This figure includes an increase in retained earnings of NT\$204,839,547 due to the adoption of the equity method for investments, a decrease in retained earnings of NT\$1,066,117 due to the disposal of equity investments measured at fair value through other comprehensive income, and a decrease in retained earnings of NT\$12,437,052 due to the remeasurement of defined benefit plans. Additionally, the net profit after tax for the year 2023, is NT\$7,814,326,416. A statutory surplus reserve of NT\$800,566,279 is set aside, resulting in total distributable earnings of NT\$15,806,133,651.
- (2)Please refer to Appendix 5 for the 2023 Profit Distribution Statement.

Resolution:

# Questions and Motions

## Appendix 1

### Business Report

To all shareholders:

#### 2023 Business Report

In 2023, the global pandemic came to a complete end, but the macroeconomic recovery fell short of expectations. International turmoil posed challenges to businesses, and the ePaper industry, being part of the electronics supply chain, cannot remain unaffected.

Although facing challenges, E Ink's management team and staff made an all-out effort and deliver a consolidated revenue of NT\$27.12 billion in 2023, with the operating margin of 26.9%, profit margin of 29%, net income of NT\$7.81 billion, and EPS of NT\$6.85. Even though the business outcomes did not show growth compared to 2022, it still reached a the second-highest record in history. We would like to especially thank our shareholders, directors, all E Ink colleagues, ecosystem partners, and customers for their continuous recognition of E Ink's vision and support of the company.

#### Business and Operations Review

Despite numerous uncertainties in the macro environment, E Ink continues to invest more R&D resources to achieve the goal of pursuing profits and sustainability in tandem and ensure technological leadership. E Ink reaped periodic results in business, operations, and technology R&D:

- Consumer Electronics (CE) Applications: Despite the consumer market has been affected by inflation, the market performance remains stable. Global brand customers continue to release color and larger-sized eReader and eNote to meet the expectations of end consumers.
- IoT Applications: The retail electronic shelf labels, which experienced exceptional growth during the pandemic, slowed down in 2023 due to the transition between new and old technologies. However, public display, the medical field, and logistics tags continue to grow. Solar-powered ePaper bus stop signs and outdoor signage have been installed at more than 1,600 locations in Taiwan, and globally exceeding 70,000 locations.

In 2023, the full range of color ePaper technology platforms are in place, including E Ink Spectra™ 6 Full-Color ePaper, E Ink Kaleido™ 3 Outdoor Print Color ePaper, E Ink Kaleido™ 3 Print Color ePaper, E Ink Gallery™ 3 Full-Color ePaper, and E Ink Prism™ 3 Variable Color ePaper. According to the display characteristics of different color technologies, developing suitable products and diverse applications. Several customers have validated and adopted, gradually launching new color ePaper products in the market.

With more eReader customers adopting new color technologies, E Ink has also planned the "Healthier Screen Time" project, promoting the research on the impact of blue light on the eyes published by the Harvard School of Public Health from an educational perspective. This aims to reinforce the advantages of ePaper in the reading market and establish a differentiated image from various display technologies.

At the same time, conveying the message that ePaper without blue light is not harmful to the eyes, and the inclusion of E Ink ComfortGaze™ front light technology makes it three times healthier for your eyes than LCD screens.

In addition, E Ink has actively enhanced its research and development capabilities and has been recognized with multiple awards. These awards affirm E Ink's continuous innovation and dedication to the development of color ePaper and related energy-saving and power-efficient ePaper applications. Awards include:

- E Ink Spectra™ 6 Full-Color technology received the 32nd Taiwan Excellence Award, and the "Solar-powered Sustainable Smart ePaper Shelf Tag and Warehouse Picking System" was awarded the Silver Award at the Taiwan Excellence Award.
- E Ink Spectra™ 6 Color ePaper display technology awarded 2023 Gold Panel Awards- Best Technology Award by the Taiwan Display Union Association.
- Battery-free Color ePaper Device utilizing E Ink Gallery™ Palette seven-color ePaper for eBadge and won the Smart Healthcare Award at the Smart Display Application Award. It also received the Excellent Innovation Product Award from the Hsinchu Science Park.
- E Ink Spectra™ 6 Color ePaper's breakthrough color performance and E Ink Kaleido™ 3 Print Color ePaper's rapid updating efficiency both earned the Gold Award at the Smart Display Industrial Alliance Award.

**Sustainable Development - E Ink PESG**

The annual average global temperature was 1.45 °C above pre-industrial levels in 2023 and was the warmest year on record. Environment changes not only increase the difficulty of operations but also motivate E Ink to make greater efforts to demonstrate its commitment as an environmental solution.

E Ink firmly believes that environmental sustainability and corporate profitability are equally important. With the "Product" of environmentally sustainable ePaper as its core, E Ink combines the "Environment", "Social", and "Governance" aspects of ESG to create a unique "P, E, S, G" sustainability framework, and taking actions related to climate, society, and other aspects through products.

E Ink PESG results in 2023 showed that in striving towards the two primary goals of Net Zero 2040 and RE100 2030, E Ink's global operations and sales locations have already reached the RE36 goal of using 36% renewable energy by the end of 2023. Among them, the United States, China, Japan, and South Korea, have reached the RE100 goal of using 100% renewable energy. The Yangzhou plant in China, over 50% of renewable energy is already being used. Since Taiwan is the challenging markets to source green energy, the proportion of renewable energy used at the E Ink's Taiwan plant has doubled to 8% (RE8) compared to the previous year.

In terms of improving energy efficiency, the Hsinchu, Linkou, and Yangzhou plants in China have all implemented ISO50001 energy management systems and obtained certification. The U.S. plant is also undergoing verification. The company focuses on process improvement, equipment scheduling



management, and independent research and development design to enhance energy efficiency. At the same time, it is advancing towards the EP100 initiative, aiming to double energy productivity by 2040 compared to the 2018 baseline.

E Ink has been committed to long-term PESG sustainability efforts. In the 2023 S&P Global Corporate Sustainability Assessment (CSA), it attained a remarkable score of 89, positioning itself as the top scorer globally within the Technology Hardware & Equipment Industry Group and consistently securing a position in both the Dow Jones Sustainability World Index (DJSI-World) and Dow Jones Sustainability Emerging Markets Index (DJSI-Emerging Markets). Additionally, it was achieved top 5% in the S&P Global Sustainability Yearbook and received the Best Progress Award for two consecutive years and also received several prestigious sustainability awards, including:

- Awarded the "Excellent Innovation Company" at the 8th National Industrial Innovation Award by the Ministry of Economic Affairs.
- Ranked among the top 5% of OTC companies in the 9th Corporate Governance Evaluation announced by the Taiwan Stock Exchange.
- Ranked 18th in the 2023 Taiwan's Excellence in Corporate Social Responsibility Award by CommonWealth Magazine, showing significant improvement compared to the previous year.
- Awarded the 2023 Global Views Monthly' ESG Award- the First Place, Comprehensive Performance in Electronics Technology Industry.
- Recognized as a RE100 Best Newcomer from the RE100 Leadership Awards 2023 and achieved target setting through the Science Based Targets initiative (SBTi).
- Recognized by the Taiwan Corporate Sustainability Awards (TCSA) for 7 consecutive years, winning the Top 10 Taiwan Enterprise Sustainability Excellence Award- Manufacture Group, Platinum Award of Corporate Sustainability Report, Climate Leader Award, Sustainable Supply Chain Award, Social Inclusion Award, Enterprise Care Award, and Growth through Innovation Award.
- Responding to net-zero transformation awarded Nation Sustainable Development Award.
- Secured in the list of Best Taiwan Global Brands with a brand value of US\$101 million.
- Achieved an A- Leadership Level on CDP Climate Change Rating and recognized efforts in climate change governance.

With the increasing importance of nature and biodiversity for the corporate sustainability development, E Ink focuses on environmental protection and actively implements the commitments to biodiversity and no gross deforestation. The company participates in the "Business for Nature" initiative, advocating for governments to adopt proactive policies to stop and reverse the loss of nature by 2030. Additionally, E Ink has initiated relevant strategies and has been recognized as one of global early adopter by the Task Force on Nature-related Financial Disclosures (TNFD) framework by the World Economic Forum. It ranked the top 14 pioneers in Taiwan and has committed to disclosing the natural-related risks and strategies in accordance with the TNFD framework.

#### **2024 Business Focus**

Due to the continued instability in international politics and economy in 2024, the E Ink team will closely monitor market trends and maintain a cautious and steady approach to business operations to

ensure sustained growth for the company. We will address challenges and seize opportunities in business, technology research and development, and operational management.

### **Business Development**

- **Consumer Electronics:** Full-color ePaper has entered mass production and many global brand customers will launch eReaders and eNotes in 2024. Larger-sized eReader and eNote products will also be released, driving a wave of ePaper products replacement.
- **IoT Applications:** The color technology transition for electronic shelf labels has been completed. In addition to the ongoing growth in the European market, American supermarket chains have also launched installation and adoption. The development of ePaper signage will move towards larger sizes suitable for indoor or outdoor environments. The environmentally-friendly ultra-low carbon color ePaper signage have gained attention, and the market's growth momentum continues to rise. The application in smart healthcare, smart logistics, smart factories, and other fields are continuously expanding, fostering new growth opportunities.

### **Technology Development**

E Ink will focus on developing ePaper technologies related to ePaper film, color, flexibility, modules, and those key areas including wireless power supply technologies, ePaper timing controller chips, and product reference designs. In addition, the company will continue to improve and develop environmentally friendly, low-power-consumption technologies, such as reducing stacks, minimizing materials, and enhancing energy efficiency. By prioritizing carbon reduction, energy efficiency, recycling, and innovation, E Ink hopes to create products with a smaller carbon footprint.

### **Operations Management**

As the new office and factory building at the Hsinchu headquarters is set to be completed and operational in the second quarter of 2024, it will inject new research and development capabilities and production capacity into E Ink. This reflects E Ink's commitment to local investment and talent cultivation.

In response to E Ink's 2040 Net Zero and 2030 RE100 net-zero paths, the company will improve energy efficiency, reduce greenhouse gas emissions, and low-carbon measures in eco-friendly manufacturing. At the same time, E Ink is committed to building a low-carbon supply chain with plans to adopt the ISO 20400 Sustainable Procurement-Guidance to strengthen green supply chain management and create a sustainable development value chain for the ePaper industry.

### **Outlook**

E Ink will aggressively invest in ePaper technology development and innovation, as well as the business expansion of product applications, and continue to work with its ecosystem partners to enhance and develop the ePaper industry. By promoting the widespread use of ePaper, the world can reduce more carbon emissions, while also promoting the digital transformation to enterprises.

With “We Make Surfaces Smart and Green” as the brand vision, E Ink will seize opportunities in AIoT and sustainable development trends, use environmentally friendly ePaper to promote the development in areas such as smart education, smart signage, smart retail, smart transportation, and smart logistics. This will enable the company to continue making steady profits and taking steadfast steps towards sustainable development.

## Appendix 2

### E INK HOLDINGS INC. AND SUBSIDIARIES

#### CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

ASSETS	2023		2022	
	Amount	%	Amount	%
CURRENT ASSETS (Note 4)				
Cash and cash equivalents (Note 6)	\$9,687,937	13	\$8,835,066	14
Financial assets at fair value through profit or loss (Note 7)	1,888,265	3	1,473,957	2
Financial assets at fair value through other comprehensive income (Notes 8 and 11)	267,502	-	-	-
Financial assets at amortized cost (Notes 9, 11 and 32)	8,266,473	11	4,945,143	8
Contract assets (Note 23)	15,883	-	27,566	-
Accounts receivable (Notes 10, 23 and 31)	2,717,486	4	4,700,178	7
Other receivables (Note 31)	469,887	1	263,370	-
Inventories (Note 12)	2,851,650	4	4,404,899	7
Prepayments (Note 31)	335,578	-	508,997	1
Other current assets (Note 25)	<u>15,029</u>	-	<u>5,539</u>	-
Total current assets	<u>26,515,690</u>	<u>36</u>	<u>25,164,715</u>	<u>39</u>
NON-CURRENT ASSETS (Note 4)				
Financial assets at fair value through profit or loss (Note 7)	2,749,468	4	2,201,399	3
Financial assets at fair value through other comprehensive income (Notes 8, 11 and 31)	22,601,622	30	16,732,386	26
Financial assets at amortized cost (Notes 9, 11 and 32)	2,175,413	3	1,554,668	2
Investments accounted for using the equity method (Note 15)	1,307,285	2	1,455,933	2
Property, plant and equipment (Notes 16, 28 and 31)	9,149,833	12	8,033,290	12
Right-of-use assets (Notes 17 and 31)	1,049,987	1	1,016,890	2
Goodwill (Note 18)	7,134,748	9	7,135,786	11
Other intangible assets (Note 18)	472,709	1	577,146	1
Deferred tax assets (Note 25)	1,203,325	2	1,058,383	2
Other non-current assets (Note 31)	<u>96,153</u>	-	<u>195,464</u>	-
Total non-current assets	<u>47,940,543</u>	<u>64</u>	<u>39,961,345</u>	<u>61</u>
	<u>\$</u>		<u>\$</u>	
TOTAL	<u>74,456,233</u>	<u>100</u>	<u>65,126,060</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES (Note 4)				
Short-term borrowings (Notes 19 and 32)	\$4,350,437	6	\$4,352,270	7

Short-term bills payable (Note 19)	4,965,853	7	654,532	1
Financial liabilities at fair value through profit or loss (Note 7)	622	-	52,405	-
Contract liabilities (Note 23)	630,179	1	437,442	1
Notes and accounts payable (Note 31)	2,544,280	3	1,992,054	3
Other payables (Notes 20, 28 and 31)	2,753,862	4	3,334,773	5
Current tax liabilities (Note 25)	1,385,091	2	2,005,876	3
Long-term borrowings-Current portion (Note 19)	-	-	150,000	-
Other current liabilities (Notes 17 and 31)	<u>403,519</u>	<u>-</u>	<u>428,789</u>	<u>1</u>
Total current liabilities	<u>17,033,843</u>	<u>23</u>	<u>13,408,141</u>	<u>21</u>
NON-CURRENT LIABILITIES (Note 4)				
Long-term borrowings (Note 19)	5,621,615	7	5,601,228	9
Deferred tax liabilities (Note 25)	1,178,834	2	696,631	1
Lease liabilities (Notes 17 and 31)	1,013,776	1	994,736	1
Net defined benefit liabilities (Note 21)	30,431	-	106,981	-
Other non-current liabilities (Note 31)	<u>29,262</u>	<u>-</u>	<u>55,139</u>	<u>-</u>
Total non-current liabilities	<u>7,873,918</u>	<u>10</u>	<u>7,454,715</u>	<u>11</u>
Total liabilities	<u>24,907,761</u>	<u>33</u>	<u>20,862,856</u>	<u>32</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4, 22 and 27)				
Share capital	11,411,033	15	11,404,047	18
Advance receipts for share capital	87,141	-	-	-
Capital surplus	10,878,525	15	10,748,007	16
Retained earnings	20,696,630	28	17,822,789	27
Other equity	<u>5,834,492</u>	<u>8</u>	<u>3,712,145</u>	<u>6</u>
Total equity attributable to owners of the Company	48,907,821	66	43,686,988	67
NON-CONTROLLING INTERESTS (Note 22)	<u>640,651</u>	<u>1</u>	<u>576,216</u>	<u>1</u>
Total equity	<u>49,548,472</u>	<u>67</u>	<u>44,263,204</u>	<u>68</u>
TOTAL	<u>\$ 74,456,233</u>	<u>100</u>	<u>\$ 65,126,060</u>	<u>100</u>

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, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 23 and 31)	\$ 27,119,755	100	\$ 30,060,509	100
OPERATING COSTS (Notes 12, 24 and 31)	<u>12,663,275</u>	<u>47</u>	<u>13,830,537</u>	<u>46</u>
GROSS PROFIT	<u>14,456,480</u>	<u>53</u>	<u>16,229,972</u>	<u>54</u>
OPERATING EXPENSES (Notes 24 and 31)				
Selling and marketing expenses	886,538	3	938,261	3
General and administrative expenses	2,637,617	10	2,631,971	9
Research and development expenses	<u>3,646,848</u>	<u>13</u>	<u>3,460,465</u>	<u>11</u>
Total operating expenses	<u>7,171,003</u>	<u>26</u>	<u>7,030,697</u>	<u>23</u>
INCOME FROM OPERATIONS	<u>7,285,477</u>	<u>27</u>	<u>9,199,275</u>	<u>31</u>
NON-OPERATING INCOME AND EXPENSES				
Share of loss of associates (Note 15)	(140,802)	(1)	(78,139)	-
Interest income (Notes 24 and 31)	1,127,327	4	435,409	1
Royalty income (Notes 4 and 23)	538,923	2	1,339,362	4
Dividend income	535,274	2	664,612	2
Other income (Notes 13, 24 and 31)	136,653	1	711,417	2
Net (gain) loss on disposal of property, plant and equipment	(10,172)	-	22,730	-
Net gain on foreign currency exchange (Note 34)	127,398	-	396,748	1
Interest expenses (Notes 16 and 31)	(278,508)	(1)	(163,176)	-
Other expenses	(46,194)	-	(19,070)	-
Net gain (loss) on fair value change of financial assets and liabilities at fair value through profit or loss	<u>548,932</u>	<u>2</u>	<u>(424,642)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>2,538,831</u>	<u>9</u>	<u>2,885,251</u>	<u>9</u>
INCOME BEFORE INCOME TAX	9,824,308	36	12,084,526	40
INCOME TAX EXPENSE (Notes 4 and 25)	<u>(1,958,082)</u>	<u>(7)</u>	<u>(2,145,181)</u>	<u>(7)</u>
NET INCOME FOR THE YEAR	<u>7,866,226</u>	<u>29</u>	<u>9,939,345</u>	<u>33</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Note 4)				

(Continued)

## E INK HOLDINGS INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 21)	\$ (17,639)	-	\$ (6,298)	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	3,095,738	11	879,219	3
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 25)	<u>(390,049)</u>	<u>(1)</u>	<u>(457,645)</u>	<u>(1)</u>
	<u>2,688,050</u>	<u>10</u>	<u>415,276</u>	<u>2</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	(471,441)	(2)	1,624,946	5
Unrealized gain (loss) on investments in debt instruments at fair value through other comprehensive income	112,678	1	(144,278)	-
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method (Note 15)	20,174	-	6,644	-
Income tax related to items that may be reclassified subsequently to profit or loss (Note 25)	<u>(23,258)</u>	<u>-</u>	<u>30,504</u>	<u>-</u>
	<u>(361,847)</u>	<u>(1)</u>	<u>1,517,816</u>	<u>5</u>
Other comprehensive income for the period, net of income tax	<u>2,326,203</u>	<u>9</u>	<u>1,933,092</u>	<u>7</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>\$ 10,192,429</u>	<u>38</u>	<u>\$ 11,872,437</u>	<u>40</u>
<b>NET INCOME ATTRIBUTABLE TO:</b>				
Owners of the Company	\$ 7,814,326	29	\$ 9,911,750	33
Non-controlling interests	<u>51,900</u>	<u>-</u>	<u>27,595</u>	<u>-</u>
	<u>\$ 7,866,226</u>	<u>29</u>	<u>\$ 9,939,345</u>	<u>33</u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
Owners of the Company	\$ 10,139,003	38	\$ 11,827,002	40
Non-controlling interests	<u>53,426</u>	<u>-</u>	<u>45,435</u>	<u>-</u>
	<u>\$ 10,192,429</u>	<u>38</u>	<u>\$ 11,872,437</u>	<u>40</u>

(Continued)

## E INK HOLDINGS INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
EARNINGS PER SHARE (Note 26)				
Basic	<u>\$ 6.85</u>		<u>\$ 8.69</u>	
Diluted	<u>\$ 6.78</u>		<u>\$ 8.60</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, 2023 AND 2022  
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company								Other Equity		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	Advance Receipts for Share Capital		Legal Reserve	Special Reserve	Unappropriated Earnings	Total					
BALANCE AT JANUARY 1, 2022	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
Appropriation of 2021 earnings													
Legal reserve	-	-	-	-	530,211	-	(530,211)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	(3,649,295)	(3,649,295)	-	-	(3,649,295)	-	(3,649,295)
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	-	239,600	-	-	-	-	2,399	-	241,999	-	241,999
Other changes in capital surplus	-	-	-	7	-	-	-	-	-	-	7	-	7
Net income for the year ended December 31, 2022	-	-	-	-	-	-	9,911,750	9,911,750	-	-	9,911,750	27,595	9,939,345
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	-	-	(4,842)	(4,842)	1,606,067	314,027	1,915,252	17,840	1,933,092
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	-	9,906,908	9,906,908	1,606,067	314,027	11,827,002	45,435	11,872,437
Difference between consideration received and the carrying amount subsidiaries' net assets during actual disposals	-	-	-	-	-	-	-	-	(621)	-	(621)	-	(621)
Share-based payments	-	-	-	100,730	-	-	-	-	-	-	100,730	62	100,792
Disposal of investments in equity instruments designated as at FVTOCI	-	-	-	-	-	-	564,974	564,974	-	(564,974)	-	-	-
BALANCE AT DECEMBER 31, 2022	1,140,405	11,404,047	-	10,748,007	2,972,064	70,678	14,780,047	17,822,789	(752,482)	4,464,627	43,686,988	576,216	44,263,204
Appropriation of 2022 earnings													
Legal reserve	-	-	-	-	1,047,188	-	(1,047,188)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	(5,131,821)	(5,131,821)	-	-	(5,131,821)	-	(5,131,821)
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	-	5,208	-	-	-	-	-	-	5,208	-	5,208
Other changes in capital surplus	-	-	-	14	-	-	-	-	-	-	14	-	14
Net income for the year ended December 31, 2023	-	-	-	-	-	-	7,814,326	7,814,326	-	-	7,814,326	51,900	7,866,226
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	-	-	(14,420)	(14,420)	(437,005)	2,776,102	2,324,677	1,526	2,326,203
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	-	7,799,906	7,799,906	(437,005)	2,776,102	10,139,003	53,426	10,192,429
Actual acquisition of partial interests in subsidiaries	-	-	-	-	-	-	(10,994)	(10,994)	-	-	(10,994)	10,994	-
Share-based payments	-	-	-	80,488	-	-	-	-	-	-	80,488	15	80,503
Exercise of employee share options	698	6,986	87,141	44,808	-	-	-	-	-	-	138,935	-	138,935
Disposal of investments in equity instruments designated as at FVTOCI	-	-	-	-	-	-	216,750	216,750	-	(216,750)	-	-	-
BALANCE AT DECEMBER 31, 2023	1,141,103	\$ 11,411,033	\$ 87,141	\$ 10,878,525	\$ 4,019,252	\$ 70,678	\$ 16,606,700	\$ 20,696,630	\$ (1,189,487)	\$ 7,023,979	\$ 48,907,821	\$ 640,651	\$ 49,548,472

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, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 9,824,308	\$ 12,084,526
Adjustments for		
Depreciation expenses	1,197,308	812,775
Amortization expenses	183,468	203,385
Expected credit loss recognized on accounts receivable	3,482	2,516
Net (gain) loss on fair value changes of financial assets and liabilities at fair value through profit or loss	(548,932)	424,642
Interest expenses	278,508	163,176
Interest income	(1,127,327)	(435,409)
Dividend income	(535,274)	(664,612)
Compensation costs of share-based payments	80,503	100,792
Share of loss of associates and joint ventures accounted for using the equity method	140,802	78,139
Net (gain) loss on disposal of property, plant and equipment	10,172	(22,730)
Net loss on disposal of intangible assets	272	96
Net loss on disposal of investments	-	996
Reversal of impairment loss	(108)	(431)
Reversal of write-downs of inventories	(128,868)	(27,939)
Net unrealized loss on foreign currency exchange	71,514	28,757
Gain recognized in bargain purchase transaction	-	(25,131)
Gain on lease modification	(1)	(3,901)
Other revenue	(41,999)	(568,806)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	11,541	-
Contract assets	11,580	11,332
Accounts receivable	1,962,764	(1,443,434)
Other receivables	23,044	7,489
Inventories	1,674,507	(60,384)
Prepayments	151,993	(212,098)
Other current assets	2,300	(3,073)
Financial liabilities held for trading	(197,499)	(562,018)
Contract liabilities	191,360	(2,903,613)
Notes and accounts payable	619,682	(1,186,870)
Other payables	(449,631)	1,170,516
Other current liabilities	(24,161)	218,137
Net defined benefit liabilities	(93,755)	(4,479)
Cash generated from operations	13,291,553	7,182,346
Income tax paid	(2,665,119)	(1,151,344)
Net cash generated from operating activities	<u>10,626,434</u>	<u>6,031,002</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income	(4,653,187)	(1,084,697)
Proceeds from sale of financial assets at fair value through other comprehensive income	1,583,377	2,061,867
Capital reduction and withdrawal of shares of financial assets at fair value through other comprehensive income	5,217	-
Acquisition of financial assets at amortized cost	(21,320,420)	(14,110,751)

(Continued)

## E INK HOLDINGS INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
Proceeds from disposal of financial assets at amortized cost	\$ 17,159,264	\$ 11,802,642
Acquisition of financial assets at fair value through profit or loss	(1,144,518)	(1,342,462)
Proceeds from sale of financial assets at fair value through profit or loss	876,177	1,252,336
Acquisition of associates	-	(199,770)
Acquisition of property, plant and equipment	(2,442,789)	(3,101,381)
Proceeds from disposal of property, plant and equipment	9,171	80,001
Acquisition of other intangible assets	(16,792)	(35,288)
Decrease in other non-current assets	2,029	4,855
Interest received	1,043,933	337,878
Dividends received	<u>568,502</u>	<u>664,612</u>
Net cash used in investing activities	<u>(8,330,036)</u>	<u>(3,670,158)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase (decrease) in short-term borrowings	(188,042)	424,412
Increase (decrease) in short-term bills payable	4,311,321	(3,990,014)
Increase in long-term borrowings	20,387	4,903,888
Repayment of the principal portion of lease liabilities	(85,590)	(86,894)
Increase in other non-current liabilities	16,193	5,290
Cash dividends	(5,131,821)	(3,649,295)
Proceeds from treasury shares transferred to employees	138,935	-
Interest paid	(285,966)	(145,086)
Regain overdue dividends	<u>14</u>	<u>7</u>
Net cash used in financing activities	<u>(1,204,569)</u>	<u>(2,537,692)</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES</b>		
	<u>(238,958)</u>	<u>260,679</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>852,871</b>	<b>83,831</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<u><b>8,835,066</b></u>	<u><b>8,751,235</b></u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u><b>\$ 9,687,937</b></u>	<u><b>\$ 8,835,066</b></u>

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

(Concluded)

# E INK HOLDINGS INC.

## BALANCE SHEETS

DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

ASSETS	2023		2022	
	Amount	%	Amount	%
CURRENT ASSETS (Note 4)				
Cash and cash equivalents (Note 6)	\$ 3,605,756	5	\$ 1,665,566	3
Financial assets measured at amortized cost (Notes 9 and 27)	3,508,315	5	480,041	1
Accounts receivable (Notes 10 and 18)	1,365,187	2	3,104,845	5
Accounts receivable from related parties (Notes 10, 18 and 26)	2,092,042	3	3,313,437	5
Other receivables from related parties (Note 26)	1,003,482	2	35,233	-
Inventories (Note 11)	2,341,921	3	3,540,804	6
Prepayments	157,221	-	164,758	-
Other current assets (Note 7)	<u>76,526</u>	<u>-</u>	<u>51,304</u>	<u>-</u>
Total current assets	<u>14,150,450</u>	<u>20</u>	<u>12,355,988</u>	<u>20</u>
NON-CURRENT ASSETS (Note 4)				
Financial assets at fair value through profit or loss (Note 7)	126,717	-	-	-
Financial assets at fair value through other comprehensive income (Notes 8 and 26)	4,265,163	6	3,564,049	6
Investments accounted for using the equity method (Note 12)	47,347,707	66	41,690,952	66
Property, plant and equipment (Notes 13, 23 and 26)	4,249,215	6	3,583,886	6
Right-of-use assets (Notes 14 and 26)	844,935	1	883,386	1
Other intangible assets	162,025	-	179,410	-
Deferred tax assets (Note 20)	392,627	1	677,658	1
Other non-current assets (Note 26)	<u>16,752</u>	<u>-</u>	<u>12,836</u>	<u>-</u>
Total non-current assets	<u>57,405,141</u>	<u>80</u>	<u>50,592,177</u>	<u>80</u>
TOTAL	<u>\$ 71,555,591</u>	<u>100</u>	<u>\$ 62,948,165</u>	<u>100</u>

## LIABILITIES AND EQUITY

### CURRENT LIABILITIES (Note 4)

Short-term borrowings (Note 15)	\$ 3,270,000	5	\$ 1,800,000	3
Short-term bills payable (Note 15)	4,226,224	6	349,835	1
Contract liabilities (Note 18)	473,083	1	189,850	-
Notes and accounts payable	1,498,047	2	1,291,869	2
Accounts payable to related parties (Note 26)	3,576,990	5	5,078,557	8
Other payables (Notes 23 and 26)	1,459,197	2	1,574,768	2
Current tax liabilities (Note 20)	836,351	1	1,436,470	2
Current portion of long-term borrowings (Note 15)	-	-	150,000	-

Receipts in advance (Note 26)	401,503	1	1,018,818	2
Other current liabilities (Notes 14 and 26)	<u>326,708</u>	<u>-</u>	<u>321,241</u>	<u>1</u>
Total current liabilities	<u>16,068,103</u>	<u>23</u>	<u>13,211,408</u>	<u>21</u>
NON-CURRENT LIABILITIES (Note 4)				
Long-term borrowings (Note 15)	5,621,615	8	5,001,228	8
Lease liabilities (Notes 14 and 26)	837,851	1	871,393	2
Net defined benefit liabilities (Note 16)	5,271	-	90,154	-
Other non-current liabilities (Notes 12, 20 and 26)	<u>114,930</u>	<u>-</u>	<u>86,994</u>	<u>-</u>
Total non-current liabilities	<u>6,579,667</u>	<u>9</u>	<u>6,049,769</u>	<u>10</u>
Total liabilities	<u>22,647,770</u>	<u>32</u>	<u>19,261,177</u>	<u>31</u>
EQUITY (Notes 17 and 22)				
Share capital	11,411,033	16	11,404,047	18
Advance receipts for share capital	87,141	-	-	-
Capital surplus	10,878,525	15	10,748,007	17
Retained earnings	20,696,630	29	17,822,789	28
Other equity	<u>5,834,492</u>	<u>8</u>	<u>3,712,145</u>	<u>6</u>
Total equity	<u>48,907,821</u>	<u>68</u>	<u>43,686,988</u>	<u>69</u>
TOTAL	<u>\$ 71,555,591</u>	<u>100</u>	<u>\$ 62,948,165</u>	<u>100</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, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 18 and 26)	\$ 19,815,440	100	\$ 23,302,339	100
OPERATING COSTS (Notes 11, 19 and 26)	<u>13,375,649</u>	<u>67</u>	<u>14,643,703</u>	<u>63</u>
GROSS PROFIT	<u>6,439,791</u>	<u>33</u>	<u>8,658,636</u>	<u>37</u>
OPERATING EXPENSES (Notes 19 and 26)				
Selling and marketing expenses	492,608	3	464,410	2
General and administrative expenses	1,033,968	5	1,055,458	5
Research and development expenses	<u>1,362,779</u>	<u>7</u>	<u>1,222,423</u>	<u>5</u>
Total operating expenses	<u>2,889,355</u>	<u>15</u>	<u>2,742,291</u>	<u>12</u>
INCOME FROM OPERATIONS	<u>3,550,436</u>	<u>18</u>	<u>5,916,345</u>	<u>25</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 19)	210,869	1	28,904	-
Royalty income (Notes 4 and 18)	211,190	1	230,546	1
Dividend income	141,597	1	199,043	1
Other income (Note 26)	83,726	-	109,940	-
Net loss on disposal of property, plant and equipment	(1,263)	-	(2,797)	-
Net gain on foreign currency exchange (Note 29)	49,274	-	220,592	1
Share of profit of subsidiaries and associates accounted for using the equity method	4,632,382	23	4,377,363	19
Interest expenses (Note 13)	(150,976)	(1)	(99,685)	-
Other expenses	(20,685)	-	(155)	-
Net loss on fair value change of financial assets and liabilities at fair value through profit or loss	<u>(58,552)</u>	<u>-</u>	<u>(754)</u>	<u>-</u>
Total non-operating income and expenses	<u>5,097,562</u>	<u>25</u>	<u>5,062,997</u>	<u>22</u>
INCOME BEFORE INCOME TAX	8,647,998	43	10,979,342	47
INCOME TAX EXPENSE (Notes 4 and 20)	<u>(833,672)</u>	<u>(4)</u>	<u>(1,067,592)</u>	<u>(4)</u>
NET INCOME FOR THE YEAR	<u>7,814,326</u>	<u>39</u>	<u>9,911,750</u>	<u>43</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Note 4)				
Items that will not be reclassified subsequently to profit or loss:				

(Continued)

# E INK HOLDINGS INC.

## STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
Remeasurement of defined benefit plans (Note 16)	\$ (15,546)	-	\$ (7,632)	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	692,668	4	(424,056)	(2)
Share of other comprehensive income of subsidiaries and associates accounted for using the equity method	2,459,774	12	1,199,409	5
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 20)	<u>(375,214)</u>	<u>(2)</u>	<u>(458,536)</u>	<u>(2)</u>
	<u>2,761,682</u>	<u>14</u>	<u>309,185</u>	<u>1</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>(437,005)</u>	<u>(2)</u>	<u>1,606,067</u>	<u>7</u>
Other comprehensive income for the year, net of income tax	<u>2,324,677</u>	<u>12</u>	<u>1,915,252</u>	<u>8</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 10,139,003</u>	<u>51</u>	<u>\$ 11,827,002</u>	<u>51</u>
EARNINGS PER SHARE (Note 21)				
Basic	<u>\$ 6.85</u>		<u>\$ 8.69</u>	
Diluted	<u>\$ 6.78</u>		<u>\$ 8.60</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, 2023 AND 2022  
(In Thousands of New Taiwan Dollars)**

	Share Capital			Retained Earnings				Other Equity			
	Shares	Amount	Advance receipts	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	Total
	(In Thousands)		for share capital								
BALANCE AT JANUARY 1, 2022	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
Appropriation of 2021 earnings											
Legal reserve	-	-	-	-	530,211	-	(530,211)	-	-	-	-
Cash dividends	-	-	-	-	-	-	(3,649,295)	(3,649,295)	-	-	(3,649,295)
Changes in capital surplus from investments in associates for using the equity method	-	-	-	239,600	-	-	-	-	2,399	-	241,999
Other changes in capital surplus	-	-	-	7	-	-	-	-	-	-	7
Net income for the year ended December 31, 2022	-	-	-	-	-	-	9,911,750	9,911,750	-	-	9,911,750
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	-	-	(4,842)	(4,842)	1,606,067	314,027	1,915,252
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	-	9,906,908	9,906,908	1,606,067	314,027	11,827,002
Difference between consideration and carrying amount resulting from disposal of subsidiaries	-	-	-	-	-	-	-	-	(621)	-	(621)
Share-based payments	-	-	-	100,730	-	-	-	-	-	-	100,730
Disposal of investments in equity instruments designated as at FVTOCI	-	-	-	-	-	-	564,974	564,974	-	(564,974)	-
BALANCE AT DECEMBER 31, 2022	1,140,405	11,404,047	-	10,748,007	2,972,064	70,678	14,780,047	17,822,789	(752,482)	4,464,627	43,686,988
Appropriation of 2022 earnings											
Legal reserve	-	-	-	-	1,047,188	-	(1,047,188)	-	-	-	-
Cash dividends	-	-	-	-	-	-	(5,131,821)	(5,131,821)	-	-	(5,131,821)
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	-	5,208	-	-	-	-	-	-	5,208
Other changes in capital surplus	-	-	-	14	-	-	-	-	-	-	14
Net income for the year ended December 31, 2023	-	-	-	-	-	-	7,814,326	7,814,326	-	-	7,814,326
Other comprehensive (loss) income for the year ended December 31, 2023, net of income tax	-	-	-	-	-	-	(14,420)	(14,420)	(437,005)	2,776,102	2,324,677
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	-	7,799,906	7,799,906	(437,005)	2,776,102	10,139,003
Actual acquisition of partial interests in subsidiaries	-	-	-	-	-	-	(10,994)	(10,994)	-	-	(10,994)
Share-based payments	-	-	-	80,488	-	-	-	-	-	-	80,488
Exercise of employee share options	698	6,986	87,141	44,808	-	-	-	-	-	-	138,935
Disposal of investments in equity instruments at FVTOCI	-	-	-	-	-	-	216,750	216,750	-	(216,750)	-
BALANCE AT DECEMBER 31, 2023	1,141,103	\$ 11,411,033	\$ 87,141	\$ 10,878,525	\$ 4,019,252	\$ 70,678	\$ 16,606,700	\$ 20,696,630	\$ (1,189,487)	\$ 7,023,979	\$ 48,907,821

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, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 8,647,998	\$ 10,979,342
Adjustments for		
Depreciation expenses	599,653	380,592
Amortization expenses	51,236	53,897
Expected credit loss recognized on accounts receivable	16	-
Net loss on fair value changes of financial assets and liabilities at fair value through profit or loss	58,552	754
Interest expenses	150,976	99,685
Interest income	(210,869)	(28,904)
Dividend income	(141,597)	(199,043)
Compensation costs of share-based payments	50,335	66,061
Share of profit of subsidiaries and associates accounted for using the equity method	(4,632,382)	(4,377,363)
Net loss on disposal of property, plant and equipment	1,263	2,797
Net loss on disposal of intangible assets	272	96
Net loss on disposal of investments	-	59
Reversal of write-downs of inventories	(94,314)	(137,101)
Net unrealized loss on foreign currency exchange	48,423	154,540
Gain recognized in bargain purchase transaction	-	(18,712)
Gain on lease modifications	(1)	(3,901)
Royalty income	(211,190)	(230,546)
Changes in operating assets and liabilities		
Accounts receivable	1,687,933	(1,330,669)
Accounts receivable from related parties	1,094,958	2,577,161
Inventories	1,293,197	(72,102)
Prepayments	27,514	(123,838)
Other current assets	44,413	(54,373)
Financial liability held for trading	(39,868)	(1,012)
Contract liabilities	494,423	(2,199,900)
Notes and accounts payable	255,240	(1,213,046)
Accounts payable to related parties	(1,442,241)	(1,758,795)
Other payables	(82,180)	642,881
Receipts in advance	(617,315)	631,479
Other current liabilities	72,852	251,250
Net defined benefit liabilities	(100,429)	(7,514)
Cash generated from operations	7,006,868	4,083,775
Income tax paid	(1,151,316)	(148,626)
Net cash generated from operating activities	<u>5,855,552</u>	<u>3,935,149</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income	(178,365)	(323,848)

(Continued)

# E INK HOLDINGS INC.

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
Proceeds from sale of financial assets at fair value through other comprehensive income	\$ 169,919	\$ 1,105,482
Acquisition of financial assets at amortized cost	(3,577,357)	(494,371)
Proceeds from disposal of financial assets at amortized cost	480,041	34,665
Acquisition of financial assets at fair value through profit or loss	(281,871)	(6,725)
Proceeds from sale of financial assets at fair value through profit or loss	144,163	-
Acquisition of long-term equity investment using the equity method	-	(148,743)
Acquisition of subsidiaries	-	(1,002,512)
Acquisition of property, plant and equipment	(1,270,088)	(1,727,400)
Increase in refundable deposits	(3,831)	(5,111)
Increase in other receivables from related parties	(1,000,000)	-
Acquisition of other intangible assets	(14,601)	(13,354)
Interest received	165,201	26,585
Dividends received	<u>820,932</u>	<u>1,696,859</u>
Net cash used in investing activities	<u>(4,545,857)</u>	<u>(858,473)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase (decrease) in short-term borrowings	1,470,000	(412,550)
Increase (decrease) in short-term bills payable	3,876,389	(3,949,763)
Increase in long-term borrowings	470,387	4,303,888
Repayment of the principal portion of lease liabilities	(43,901)	(28,860)
Increase (decrease) in other non-current liabilities	(1,294)	634
Cash dividends	(5,131,821)	(3,649,295)
Exercise of employee share options	138,935	-
Interest paid	(148,214)	(95,683)
Return of overdue uncollected dividends	<u>14</u>	<u>7</u>
Net cash generated from (used in) financing activities	<u>630,495</u>	<u>(3,831,622)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	1,940,190	(754,946)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<u>1,665,566</u>	<u>2,420,512</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u>\$ 3,605,756</u>	<u>\$ 1,665,566</u>

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

(Concluded)

## **Appendix 3**

### **Audit Committee's Review Report**

The Board of Directors has presented the company's operating report, financial statements, and profit distribution proposal for 2023. The financial statements have been audited by Deloitte & Touche, and an audit report has been issued.

The operating report, financial statements, and profit distribution proposal have been reviewed by our Audit Committee, which found no discrepancies. In accordance with Article 14-4 of the Securities Exchange Act and Article 219 of the Company Act, we hereby report as above for your reference. Please acknowledge.

For  
2024 Annual General Meeting

E Ink Holdings Inc.

Audit Committee Convener: Po-Young Chu

Feb 23, 2024

## Appendix 4

### E Ink Holdings Inc.

#### Board of Directors Meeting Rules

Passed at the Board of Directors meeting on February 23, 2024.

Article 1: This policy has been established in accordance with "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" to enhance board of directors' governance, supervision and management over the Company.

Article 2: All issues relating to board of directors meeting, such as motions, procedures, minutes, announcements, etc., shall proceed according to this policy.

Article 3: The board of directors shall convene meetings at least once a quarter.

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.

The above mentioned meeting advice can be made in electronic form if consented by the receiving party.

All items listed in Paragraph 1, Article 7 of this policy shall be advised in advance as part of the agenda, and cannot be proposed as a special motions.

Article 4: Board of directors meetings shall be held at the Company's business premise during office hours, or at any other time and place convenient for directors to attend.

Article 5: The board of directors has designated the Legal Division as the meeting organizer.

The meeting organizer is responsible for outlining board of directors meeting agenda and preparing adequate meeting information, which will be distributed along with the meeting advice.

Directors may request for supplemental information from the meeting organizer if they consider the prepared information to be inadequate. Directors may resolve to postpone certain discussions if they consider the information presented to them to be inadequate.

Article 6: The Company's regular board meetings shall cover at least the following issues:

1. Reports:
  - (1) Minutes of the previous meeting and execution of meeting resolutions.
  - (2) Reports on key financial or business information.
  - (3) Reports on internal audit issues.
  - (4) Reports on other important issues.
2. Discussions:
  - (1) Discussions carried forward from the previous meeting.
  - (2) Discussions proposed for the current meeting.
3. Special motions.

Article 7: The following issues shall be raised for discussion in board of directors meetings:

1. The Company's operating plans.
2. Annual financial report signed or sealed by Chairman, manager and chief accountant, and second-quarter financial reports audited by CPA.
3. Establishment or amendment of internal control system, and assessment of effectiveness of the internal control system according to Article 14-1 of the Securities and Exchange Act.

4. Establishment or amendment of asset acquisition and disposal procedures, derivative trading procedures, third party lending procedures, third party endorsement and guarantee procedures, and other procedures of major financial consequences according to Article 36-1 of the Securities and Exchange Act.
5. Offering, issuance, or private placement of securities with equity characteristics.
6. The election or discharge of the chairperson.
7. Appointment and dismissal of the head of finance, accounting, or chief internal auditor.
8. Donation to related party or major donation to non-related party. However, in the occurrence of a major natural disaster, emergency aids of charitable nature can be made first and acknowledged later during the next board of directors meeting.
9. Any decisions that shall be resolved in a shareholder meeting or a board of directors meeting as required by Article 14-3 of the Securities and Exchange Act, relevant regulations or Articles of Incorporation, and any major issues prompted by the competent authority.

The term "related party" mentioned in Subparagraph 8 above shall adhere to the definitions stipulated in Regulations Governing the Preparation of Financial Reports by Securities Issuers. Major donation to non-related party shall refer to any single or cumulative donations that amount to NT\$100 million or above in a year to the same party, or amounts that accumulate to more than 1% of net revenues or 5% of paid-up capital, as shown in the latest audited financial statements.

The one-year period mentioned above shall refer to the one year dating back from the current board meeting. Amounts that have already been passed in previous board meetings may be excluded from calculation.

If the Company has independent directors in place, at least one independent director shall be personally present at each board of directors meeting. For any decisions that require resolution in a board of directors meeting, as mentioned in Article 14-3 of the Securities and Exchange Act, all independent directors shall personally attend the board meeting. Independent directors who are unable to attend personally shall appoint another independent director to attend on behalf. All objections and reservations expressed by independent directors shall be detailed in board of directors meeting minutes. If the independent director is unable to express objections or reservations in person during the board of directors meeting, the opinion shall be expressed in writing in advance and recorded in board meeting minutes unless there is justifiable reason not to do so.

Article 8: Attendance logs shall be provided during board meetings and signed by attending directors.

Directors are required to attend board meetings personally. Directors who are unable to attend personally may seek proxy attendance from other directors according to the Articles of Incorporation. Directors who participate in the meeting using video conferencing are considered to have attended personally.

In case a director appoints another director to attend a meeting of the board of directors in his/her behalf, he/she shall, in each time, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting.

The proxy mentioned in the two preceding Paragraphs may only represent the presence of one absent director.

Article 9: The Company's board meetings shall be convened and chaired by the Chairman. However, the first meeting of a newly elected board shall be convened by the director who receives the highest number of votes at the shareholder meeting, whereas the role of meeting chairperson shall be assumed by the convener. If two or more directors are equally eligible to serve as convener, one shall be elected among themselves to serve as convener.

If the Chairman is unable to perform duties due to leave of absence or any reason, the Chairman may appoint one of the directors to act on behalf. If no one is appointed, the remaining directors will appoint one among them to perform the Chairman's duties.

Article 10: Personnel from relevant departments or subsidiaries may be called to participate in the board meeting depending on the topics discussed. Certified public accountants, lawyers, or other professionals may also be invited to express opinions in board meetings if necessary. However, these professionals are to be dismissed during discussion and voting.

Article 11: The entire proceeding of the Company's board of directors meetings shall be recorded in both video and audio, and kept for at least 5 years. The footage can be stored in electronic form.

Should any litigation arise with respect to a specific board meeting resolution before the abovementioned expiry, the relevant recordings shall be retained as evidence indefinitely and are not subject to the above rules.

Where meetings are held by way of video conferencing, the recorded video and audio shall be treated as part of the meeting minutes and retained indefinitely.

Article 12: The chairperson of the board shall announce the commencement of the meeting when the scheduled meeting time arrives and more than half of the directors are present. If, at the scheduled meeting time, less than half of the directors are present, the chairperson may announce a postponement of the meeting **to later in the same day**, with a limit of two postponements totaling no more than one hour. If there are still insufficient attendees after two postponements, the chairperson shall reconvene the meeting according to the procedures specified in Article 3, Paragraph 2.

The notion of "entire board of directors" mentioned above and in Subparagraph 2, Paragraph 2, Article 17 of the Rules shall refer to those who are currently in active duty.

Article 13: Board meetings shall proceed as scheduled in the meeting advice. However, changes can be made with the consent of more than half of all attending directors.

Except with the consent of more than half of all attending directors, the chairperson cannot dismiss the meeting while a planned motion, as mentioned in the preceding Paragraph, or a special motion is still in progress.

If the number of remaining directors falls to less than half of all attending directors while the board meeting is in progress, the chairperson shall suspend the meeting at the request of remaining directors and proceed according to the preceding Article.

**During a board meeting, if the chairperson is unable to preside over the meeting due to unforeseen circumstances or fails to adjourn the meeting in accordance with the provisions of the second paragraph, the selection of a proxy shall be governed by the provisions of Article 9, Paragraph 2.**

Article 14: The chairperson may announce to discontinue further discussion if the topic is considered to have been sufficiently discussed to proceed with voting.

A motion is considered passed if none of the attending directors express any objection when asked by the chairperson during the voting process. This voting method shall carry the same effect as the ballot method.

The attending directors mentioned in the two paragraphs above do not include directors who are not permitted to vote under Paragraphs 1 and 2 of Article 16.

Article 15: Unless otherwise regulated in Securities and Exchange Act or The Company Act, the board's resolutions shall be passed only if more than half of total board members are present in a meeting, and with more than half of attending directors voting in favor.

The chairperson may choose to proceed with voting using any of the following methods, but if there is any objection among attendants as to the choice of voting method, the chairperson shall adopt the method that has the highest support among attendants:

1. Voting by a show of hands.
2. Vote by roll call.
3. Vote by ballot.

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. However, if any proposal is passed, all other proposals shall be deemed rejected and no further voting is necessary.

If the voting process requires a ballot examiner and a ballot counter, the chairperson shall appoint them accordingly. The ballot examiner, however, shall be a director.

The results of resolution(s) shall be announced in the meeting immediately, and recorded in the minutes of the meeting.

Article 16: If a director, or the corporate entity a director represents, is considered a stakeholder to the discussed topic, the director shall state the stakes involved during the current meeting session and shall disassociate from all discussions and voting if the stakes are in conflict against the Company's interests. In addition, the director may not exercise voting rights on behalf of other directors.

Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.

Board resolutions that involve directors who are prohibited from exercising voting rights, as mentioned in the two preceding Paragraphs, shall proceed according to Paragraph 4, Article 206 and Paragraph 2, Article 180 of The Company Act.

Article 17: Proceeding of the Company's board of directors meetings shall be compiled into detailed minutes. The meeting minutes shall record the following details:

1. The meeting session (or year), time, and venue.
2. Name of the meeting chairperson.
3. Directors' attendance, including the number and names of attendees, absentees, and those on leave of absence.
4. The names and designations of meeting participants.
5. The name of minutes taker.
6. The reported issues.
7. Discussions: The methods by which resolutions were reached and outcomes of each motion; summary of opinions expressed by directors, experts and other personnel involved; the names of directors who held conflicting interests in the discussed topic as described in Paragraph 1 of the preceding Article, descriptions of the stakes involved, reasons for directors' disassociation or participation in the discussed topic, and whether the director had disassociated from the discussion/vote; any objections or reservations expressed on record or in writing; and independent directors' written opinions raised according to Paragraph 5, Article 7.
8. Special motions: The name of the person who raised the motion; the method of resolution and outcome; summary of opinions expressed by directors, experts and other personnel; the names of directors who held conflicting interests in the discussed topic as described in

Paragraph 1 of the preceding Article, descriptions of the stakes involved, reasons for directors' disassociation or participation in the discussed topic, and whether the director had disassociated from the discussion/vote; and any objections or qualified opinions expressed on record or in writing.

9. Other details as deemed relevant.

If the board resolution involves any of the following, the details of which shall be addressed in the meeting minutes and posted onto the reporting website designated by the authority within 2 days after the board resolution is made:

1. Objections or reservations expressed by independent directors on record or in writing.
2. If an Audit Committee has been assembled, any issues that are not agreed by the Audit Committee but passed by more than two-thirds of entire directors.

The attendance log constitutes part of the meeting minutes, and therefore shall be kept indefinitely.

Meeting minutes shall be signed or sealed by the chairperson and the minutes taker, and distributed to all directors within 20 days after the meeting. These documents shall also be treated as part of the Company's key files and kept properly over the Company's existence.

Preparation and distribution of meeting minutes mentioned in Paragraph 1 can be made in electronic form.

Article 18: The conference rules shall be implemented once approved by the board of directors, and will be reported in the upcoming shareholder meeting. The same applies to all subsequent revisions.



## E Ink Holdings Inc.

### Comparison of Changes to Board of Directors Meeting Rules

Clause	After amendment	Before amendment	Description
Article 12	<p>The chairperson of the board shall announce the commencement of the meeting when the scheduled meeting time arrives and more than half of the directors are present. If, at the scheduled meeting time, less than half of the directors are present, the chairperson may announce a postponement of the meeting <b>to later in the same day</b>, with a limit of two postponements totaling no more than one hour. If there are still insufficient attendees after two postponements, the chairperson shall reconvene the meeting according to the procedures specified in Article 3, Paragraph 2.</p> <p>The notion of "entire board of directors" mentioned above and in Subparagraph 2, Paragraph 2, Article 17 of the Rules shall refer to those who are currently in active duty.</p>	<p>The chairperson of the board shall announce the commencement of the meeting when the scheduled meeting time arrives and more than half of the directors are present. If, at the scheduled meeting time, less than half of the directors are present, the chairperson may announce a postponement of the meeting, with a limit of two postponements totaling no more than one hour. If there are still insufficient attendees after two postponements, the chairperson shall reconvene the meeting according to the procedures specified in Article 3, Paragraph 2.</p> <p>The notion of "entire board of directors" mentioned above and in Subparagraph 2, Paragraph 2, Article 17 of the Rules shall refer to those who are currently in active duty.</p>	<p>It is expressly stipulated that when the number of attendees is insufficient, the chairperson may announce a time limit for postponing the meeting, limited to the same day.</p>
Article 13	<p>Board meetings shall proceed as scheduled in the meeting advice. However, changes can be made with the consent of more than half of all attending directors.</p> <p>Except with the consent of more than half of all attending directors, the chairperson cannot dismiss the meeting while a planned motion, as mentioned in the preceding Paragraph, or a special motion is still in progress.</p> <p>If the number of remaining directors falls to less than half of all attending directors while the board meeting is in progress, the chairperson shall suspend the meeting at the request of remaining directors and proceed according to the preceding Article.</p> <p><b><u>During a board meeting, if the chairperson is unable to preside over the meeting due to unforeseen circumstances or fails to adjourn the meeting in accordance with the provisions of the second paragraph, the selection of a proxy shall be governed by the provisions of Article 9, Paragraph 2.</u></b></p>	<p>Board meetings shall proceed as scheduled in the meeting advice. However, changes can be made with the consent of more than half of all attending directors.</p> <p>Except with the consent of more than half of all attending directors, the chairperson cannot dismiss the meeting while a planned motion, as mentioned in the preceding Paragraph, or a special motion is still in progress.</p> <p>If the number of remaining directors falls to less than half of all attending directors while the board meeting is in progress, the chairperson shall suspend the meeting at the request of remaining directors and proceed according to the preceding Article.</p>	<p>It is expressly stipulated that during the proceedings of a board meeting, if the chairperson is unable to preside over the meeting due to unforeseen circumstances or fails to adjourn the meeting in accordance with the rules, the method for appointing a proxy for the chairperson of the board shall be as follows.</p>

## Appendix 5

### E Ink Holdings Inc.

#### Profit Distribution Statement for 2023

Unit: NTD

Item	Amount		Remarks
<b>Undistributed profits at the beginning of the period</b>		8,601,037,136	
Net profit after tax for the current year	7,814,326,416		
Retained earnings adjusted for investment under the equity method	204,839,547		
Recognition of remeasurement of defined benefit plans is recorded in retained earnings.	(12,437,052)		
The disposal of equity instruments measured at fair value through other comprehensive income results in the cumulative gains or losses being transferred to retained earnings.	(1,066,117)		
<b>The net profit after tax for the current year, plus other items not included in the net profit after tax for the current year, are included in the amount of undistributed earnings for the current year.</b>		8,005,662,794	
Appropriation of statutory surplus reserve (10%)		(800,566,279)	
<b>Profit available for distribution for the year</b>		15,806,133,651	
Distribution items			
Cash dividends and bonuses for shareholders		(5,140,771,808)	NT\$4.5 per share
<b>Undistributed earnings at the end of the period</b>		10,665,361,843	

Chairman: Johnson Lee

Manager: FY Gan

Lloyd Chen

Head of Accounting: Chun-Ming Li

## Appendix 6

# E Ink Holdings Inc. Articles of Incorporation

## 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

## Appendix 7

### E Ink Holdings Inc.

#### Shareholders' Meeting Rules

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 advice 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.

## Appendix 8

### INFORMATION REGARDING REMUNERATION TO DIRECTORS AND EMPLOYEES

The proposed remuneration for directors and employees, to be distributed by the company at the board meeting on February 23, 2024, is as follows. The distribution will be processed after approval at the shareholder's meeting on May 29, 2024, in accordance with relevant regulations.

Unit: NTD thousands

	Remuneration to employees	Remuneration to Directors	Total
Amount proposed by the Board of Directors	88,990	35,900	124,890
Amount recognized in the 2023 financial statements	88,990	35,900	124,890
Discrepancy	The amount proposed by the board of directors is the same as the amount recognized in financial statements.		

## Appendix 9

### Impact of Stock Grants on Company Business Performance, EPS, and Shareholder ROI

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

## Appendix 10

### E Ink Holdings Inc. Shareholdings of All Directors

Book closure date: March 31, 2024

Title	Name		Shareholdings
Chairman	Johnson Lee	Representative of Aidatek Electronics, Inc.	240,000
Director	FY Gan		
Director	Luke Chen	Representative of Shin-Yi Enterprise Co., Ltd.	32,842,345
Director	Sylvia Cheng		
Independent Director	Po-Young Chu		0
Independent Director	Huey-Jen Su		0
Independent Director	Chang-Mou Yang		0
Total			33,082,345

Note:

1. Outstanding shares as of March 31, 2024: 1,142,393,735 shares
2. Minimum required shareholding across all directors: 32,000,000 shares; shareholding across all directors as of March 31, 2024: 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)