

**SUNKO INK CO., LTD.**

**2025 ANNUAL GENERAL MEETING OF  
SHAREHOLDERS**

**MEETING HANDBOOK**

Time: 11 June 2025 (Wednesday)

Venue: No. 5, Gong 1st Rd., Hemei Township, Changhua County 508003, Taiwan  
(R.O.C.) (Chuansing Factory)

★Where any discrepancy arises between the English translation and original Chinese version, the Chinese version shall prevail.

SUNKO INK CO., LTD.  
**2025 Shareholders' General Meeting**  
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**SUNKO INK CO., LTD.**

**2025 Annual General Shareholders' Meeting**

**Time:** 09:00 a.m., 11 June 2025 (Wednesday)

**Location:** No. 5, Gong 1st Rd., Hemei Township, Changhua County 508003, Taiwan (R.O.C.) (Chuansing Factory)

**Meeting Agenda**

**I. Call the Meeting to Order**

**II. Chairperson Remarks**

**III. Management Presentation (Company Reports)**

1. 2024 Business Report
2. 2024 Audit Committee's Review Report
3. 2024 Status of Endorsement and Guarantee
4. The remuneration report of director for 2024

**IV. Ratifications**

1. Adoption of the 2024 Business Report and Financial Statements
2. Adoption of the 2024 Earnings Appropriation Proposal

**V. Discussions**

1. The proposed amendments to the Company's Articles of Incorporation are hereby submitted for discussion.

**VI. Directors Election**

**VII.** To elect 19th directors, please kindly discussion

**VIII. Other Business and Special motion**

**IX.** Proposal to Release the Board of Directors from Non-Competition Restrictions, Please kindly discussion

**X. Extraordinary Motions**

**XI. Meeting Adjourned**

## Management Presentations (Company Reports)

1. **Issue:** 2024 Business Report

**Details:** Please refer to Attachment 1 (page. 8).

2. **Issue:** 2024 Audit Committees' Review Report

**Details:** Please refer to Attachment 2 (page 14).

3. **Issue:** 2024 Status of Endorsement and Guarantee

**Details:** No endorsement or guarantee provided.

4. **Issue:** The remuneration report of directors on 2024

**Details:**

- 1.

The Company's general directors and independent directors' remuneration policy, system, standard and structure, and the relationship with the remuneration amount according to the responsibilities, risks, investment time and other factors:

- (1) According to the Company's Articles of Incorporation, the remuneration of the directors shall be approved by the board of directors to be paid in accordance with the regular standards of the industry, and shall be weighed in view of their involvement in the company's operation and the value of their contribution.
- (2) The Company's Articles of Incorporation also stipulate that no more than 1% of the annual profit will be used as the director's remuneration, which is based on the regulation of the Company's Remuneration Committee. The payment of director's remuneration should refer to the regular level of the industry, and consider the rationality of correlation with personal performance, operating performance and future risks in accordance with the Remuneration Regulations. Lists as follows:

- ① The current director's remuneration includes monthly remuneration, travel allowance and director's remuneration.
  - ② All independent directors serve as members of the audit committee, the compensation committee, and have fixed remuneration.
  - ③ The director's travel allowances are fixed payments and are paid when attending board meetings.
  - ④ The distribution of director's remuneration shall be distributed in proportion to how many days each board director in service in respective elected term
2. For the remuneration of the general director and independent director, please refer to Attachment 3. (page 15)

### **Ratifications**

1. **Proposed by:** The board of directors

**Subject:** Acknowledgement of the 2024 Business Report and Financial Statements

**Details:**

- (1) The Company's 2024 financial statements and the consolidated financial statements were audited and issued an "unqualified opinion" by CPA CHEN, MING-HUNG and CPA HUANG, TZU-PING of Ernst & Young Taiwan. The audited financial statements and the business report were reviewed by the Audit Committee without any nonconformity identified and with a review report issued.
- (2) The financial statements and independent auditors' audit report are attached on page 16 (Attachment 4)

**Resolution:**

2. **Proposed by:** The board of directors

**Subject:** 2024 Earnings Appropriation Proposal

**Details:**

- (1) The Company incurred a net loss after tax of NT\$182,575,986 in 2024, as detailed in the earnings appropriation statement. The accumulated loss amounts to NT\$51,693,644. It is proposed to offset the accumulated loss using the legal earnings reserve. After the offset, the accumulated loss will be NT\$0.
- (2) For earnings appropriation statement of 2024, please refer below.

SUNKO INK CO., LTD.

**Earnings Appropriation Statement**

For the year ended 31 December 2024

		Unit: NT\$
Items	Subtotal	Total
Beginning balance of undistributed earnings		\$129,148,250
2024 Other comprehensive Income		
Re-measurement of net defined benefit plans after tax	\$1,734,092	
2024 Net income after tax	(182,575,986)	(180,841,894)
Ending balance of accumulated losses		(51,693,644)
Sources for offsetting accumulated losses:		
Legal Reserve		\$51,693,644
Ending balance of accumulated losses		<u>\$0</u>

Chairman:

HUANG, TING-DI

General Manager:

CHANG, CHUN- PIN

Accounting Supervisor:

WANG, SHENG-HUI

## Discussions

1. **Proposed by:** The board of directors

**Subject :** The proposed amendments to the Company's Articles of Incorporation are hereby submitted for discussion.

**Details:**

- (1) Article 14 amended and promulgated per 7 August 2024 Presidential Order No. Hua-Zong-I-Yi-11300069631. The amended Article 14, Section 6 is as follows: "A company referred to in the preceding paragraph shall specify in its articles of incorporation that a certain percentage of its annual earnings shall be allocated for salary adjustments or compensation distributions for its non-executive employees. However, the company's accumulated losses shall have been covered."
- (2) According to Financial Supervisory Commission (FSC) Order No. 1130385442, supplementary regulations are established for companies whose stocks are listed on the stock exchange or traded on the over-the-counter (OTC) market. These companies must specify in their Articles of Incorporation the allocation of a certain percentage of annual earnings for salary adjustments or compensation for basic employees. The company must complete the amendment of its Articles of Incorporation in accordance with Article 14, Section 6 of the Securities and Exchange Act at the latest by the 2025 Annual Shareholders' Meeting.
- (3) In accordance with the aforementioned regulations, the Company has amended Article 30 of its Articles of Incorporation. Please refer to the attachment on page 36 (Attachment 5).

**Resolution:**

## Directors Election

1. **Proposed by:** The board of directors)

**Subject :** To elect 19th directors, please kindly discussion

**Details:**

- (1) The current directors of the company will expire on 14/06/2025, and they will be proposed to the general meeting of shareholders for re-election in accordance with regulations.

- (2) According to Article 18, the company has 5-9 directors with a term of three years. The candidate nomination system is adopted, and they can be re-elected. The aforementioned number of directors include 3 independent directors.
- (3) On 07/03/2025, the board of directors passed a resolution to elect the 18th of directors. The cumulative voting system was adopted in accordance with the regulations, 7 members of director (including three members of independent director), were elected, and the term will be from 11/06/2025 to 10/06/2028.
- (4) The list of candidates for directors (including independent directors) and relevant qualifications are as follows:

NO.	Name	ID Number	Education	Professional Qualification	The name of the government or legal person represented	Nominee Category	Whether you have served as an independent directors for three consecutive terms/reasons
1	HUANG, TING-DI	B12290*** *	Master's Degree	Chairman, SUNKO INK CO., LTD	KT Investment Co., Ltd.	Director	None
2	HUANG, SHUEN-HSIEN	F12207***	Minghsin University of Science and Technology	Minister, SUNKO INK CO., LTD	KT Investment Co., Ltd.	Director	None
3	LIN, YU-PING	A222176** *	Hungkuang University	Director, Chiaoli Investment Company	Chiaoli Investment Company	Director	None
4	HUAND, ZHAO-WEI	B12165*** *	Nanya Institute of Technology	Minister, SUNKO INK CO., LTD	Chiaoli Investment Company	Director	None
5	CHUNG, KAI-SHIUN	A12053*** *	Master's Degree, National Taipei University	<ul style="list-style-type: none"> <li>● Consultant lawyer, AY Commercial Law Offices</li> <li>● Independent director, Min Aik Precision Industrial Co., Ltd.</li> <li>● Independent director, United Renewable Energy Co., Ltd.</li> <li>● Independent director, ABONMAX CO.,</li> </ul>		Independent director	None

				<p>LTD</p> <ul style="list-style-type: none"> <li>● Independent director, ENLIGHT CORPORATION</li> </ul>			
6	HO, CHIEN-HSING	Q12121*** *	Master's Degree, Ming Chuan University	<ul style="list-style-type: none"> <li>● Senior Manager, Proprietary Investment Department, CDIB Capital Group</li> <li>● Senior Manager, Integrated Investment Business Department, CDIB CAPITAL MANAGEMENT CORPORATION</li> <li>● Director ,EASTERN ELECTRONICS CO., LTD.</li> <li>● Director, LOGICOM INC.</li> <li>● Director, DEE VAN ENTERPRISE CO., LTD.</li> <li>● Director, UP SCIENTECH MATERIALS CORP.</li> </ul>		Independent director	None
7	LU, YU-HUA	L22174*** *	Tamkang University	<ul style="list-style-type: none"> <li>● Vice President of Sales, CHITEC TECHNOLOGY CO., LTD.</li> <li>● Chief Operating Officer, CHITEC TECHNOLOGY CO., LTD.</li> <li>● General Manager, CHITEC TECHNOLOGY CO., LTD.</li> <li>● Executive Director, CHITEC (Shanghai) Chemical Technology Co., Ltd.</li> <li>● Director, Chitec Technology Co.,Ltd(Delaware)</li> <li>● Director, Chitec</li> </ul>		Independent director	None

				Technology (Samoa) Ltd.			
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**Resolution:**

**Other Business and Special motion**

**1. Proposed by:** The board of directors)

**Subject:** Proposal to Release the Board of Directors from Non-Competition Restrictions, Please kindly discussion

**Details:**

- (1) Pursuant to Article 209 of the company, “A director shall act for himself or others within the business scope of the company, and shall explain the important contents of his act to the shareholder’s meeting and obtain permission.”
- (2) If there is any non-compete behavior in Article 209 of the Company Law for the newly appointed directors and the representatives appointed by the corporate director in 2025, without prejudice to the interests of the company, the shareholders’ meeting shall be approved in accordance with the law, and the non-compete prohibition of the company’s new directors shall be lifted.
- (3) Details of release the Board of Directors from Non-competition Restriction. Please refer to Attachment 6 (page. 37)

**Resolution:**

**Extraordinary Motions  
Meeting Adjourned**

## Attachment 1

### 2024 Business Report

#### 1 Implementation Results

The individual and the consolidated revenue of the Company for the year 2024 were both NT\$ 2,286,720 thousand. The consolidated loss after tax was NT\$ 182,576 thousand, of which NT\$ 182,576 was attributable to the owners of the Company. The basic and diluted earnings per share for the consolidated loss after tax were both NT\$0.98.

In 2024, the pace of global economic recovery fell short of expectations. Demand contracted due to geopolitical tensions, weakening overall economic momentum. Meanwhile, China continued to expand its production capacity, leading to an oversupply in the market. Intense price competition further compressed product margins, resulting in an unprecedented downturn for the petrochemical industry. Downstream petrochemical additives—such as antioxidants, nucleating agents, and flame retardants—were directly impacted by the decline in selling prices. Crop protection chemicals and polymer products also faced pressure as excess capacity in China, driven by weak domestic demand, shifted toward exports. Some customers opted for lower-cost Chinese alternatives, further eroding profit margins.

In addition, the industry continues to suffer from overcapacity, while China's vertically integrated supply chain and state subsidy policies have enabled competitive strategies such as controlling upstream raw material prices and reducing downstream product prices—further squeezing the margins of smaller producers.

To counteract the impact of market oversupply, the Company has proactively developed new products, including: Triazine-based UV absorbers, Novel phosphorus-based flame retardants for advanced circuit boards, Puncture-resistant polymer coatings and Foam-grade TPU, which has passed certification by Taiwanese footwear manufacturers. These downstream manufacturers are focusing on developing shoe material recycling solutions to appeal to global brands. By making entire shoes from TPU, they aim to address the difficulty of recycling shoes made from mixed materials. Future development will depend on the level of recognition and commitment from brand owners toward ESG and recycling initiatives.

On the cost control front, we have also taken active measures, including workforce cost management, rental reduction, waste reduction, cutting non-essential expenses, and adjusting production for products with no marginal contribution.

Looking ahead to 2025, uncertainties following Donald Trump’s potential reelection may impact global political dynamics and industrial supply chains. While future developments remain unpredictable, the Company will remain focused on its core chemical business, driving innovation and product transformation to offset losses and return to profitability.

The table below shows our implementation results of 2024, compared with the data from 2023:

### 1.1 Implementation Results of Operation Plan

Unit: NT\$ (in thousands)

Item	2024	2023	Increase (Decrease)	
			Difference	Rate
Operating Revenue (net)	2,286,720	2,185,671	101,049	4.62
Operating Costs	2,280,331	2,247,941	32,390	1.44
Operating Profit	6,389	(62,270)	68,659	110.26
Operating Expense	189,173	197,764	(8,591)	(4.34)
Operating Gains (Losses)	(182,784)	(260,034)	77,250	29.71
Other profits and losses (net)	(3,101)	(36,116)	33,015	91.41
Pre-tax Earnings (losses)	(185,885)	(296,150)	110,265	37.23
After-tax Earnings (losses)	(182,576)	(277,967)	95,391	34.32

### 1.2 Forecast and implementation

The Company didn’t publish the 2024 Operating Forecast. Therefore, no information regarding implementation is available.

### 1.3 Financial Income and Expenditure and Profitability Analysis

Item		For the years ended 31 December	
		2024	2023
Profitability	Return on asset (%)	(4.50)	(6.62)
	Return on equity (%)	(9.02)	(12.34)
	Pre-tax income (loss) (%)	(10.05)	(16.02)
	Profit margin (%)	(7.98)	(12.72)
	Basic Earnings per share (loss) (NT\$)	(0.98)	(1.5)

		For the years ended 31 December	
Item		2024	2023
	Diluted Earnings per share (loss) (NT\$)	(0.98)	(1.5)

#### 1.4 Research and Development progress

##### 1.4.1 Research and Development Expenses

Unit: NT\$ (in thousands)

	For the years ended 31 December		
	2024	2023	2022
R&D Expenses	45,872	47,468	49,847
Ratio to operating revenues	2.01%	2.17%	1.66%

##### 1.4.2 Recent Research and Development results

Classification	Item	R&D results
Fine Chemical Series	1. Development and promotion of Non-halogenated Flame Retardant derivatives	<ul style="list-style-type: none"> <li>● Completed the commissioning of SPV-090.</li> <li>● Completed the commissioning of DP-7000.</li> <li>● Partnered with clients within the optoelectronics sector to co-develop 5G flame retardants; completed verification of the following manufacturing technologies. <ul style="list-style-type: none"> <li>➤ KFR-202M</li> <li>➤ KFR-3000F</li> <li>➤ DOPO-2AE</li> <li>➤ DOPO-2AE(Me)</li> </ul> </li> </ul>
	2. Curing Agent	<ul style="list-style-type: none"> <li>● K-CURE 339 process improvement, with wastewater recycling used to produce intermediates, completing the internal circulation.</li> </ul>

	3. Research on Industrialization Technology of Triazine UV Absorber New product	<ul style="list-style-type: none"> <li>● Development of new manufacturing process for UV absorber KC1163.</li> <li>● Industrial-scale 100kg trial run of KC1163, achieving the design input requirements target."</li> </ul>
Polymer Series	1. Development of new eco-friendly thermoplastic elastomers and the manufacturing processes	<ul style="list-style-type: none"> <li>● Introduction of new product processes for SK TPU 701, 70588, and 7016, and ton-scale production.</li> <li>● TPU 3D printed protective gear passes EN1621-2 protective standard.</li> <li>● Evaluation and testing of TPU new product yarn recycling and circulation completed.</li> <li>● Completed trial production of 'Silane Dynamic Crosslinked TPV KP800 Series,' a product with advantages of light color, easy dyeing, and low moisture absorption, expected to expand the polymer product portfolio.</li> </ul>

## 2 Overview of 2025 Operation Plan

### 2.1 Operation Strategy and Policy

Currently, the petrochemical and rubber & plastics industries are facing severe overcapacity due to large-scale expansion in China. The resulting supply-demand imbalance has led to persistently weak selling prices. Plastic additives such as antioxidants, flame retardants, and nucleating agents have all been impacted to varying degrees, with mature and widely used products being the most affected. In the coming years, how to avoid overcapacity and differentiate mature products from competitors will be key challenges for the industry. In the new fiscal year, we will continue to focus on the research and development of new products and the introduction of new collaborative development projects.

In alignment with regulatory initiatives on sustainable development and guided by our corporate philosophy, the Company has established a long-term business strategy built

upon four core pillars: sustained innovation, environmental sustainability, Cultivating a supportive and secure work environment to boost employee engagement, and enhanced corporate governance.

Each year, we conduct comprehensive operational and strategic analyses to assess internal and external risks and opportunities. These insights form the basis for setting our annual business objectives and sustainability action plans, ensuring that our operations remain resilient, responsible, and forward-looking.

Operational Strategy and Policy for 2025:

- (1) Sustained Innovation
- (2) Environmental sustainability
- (3) Cultivating a supportive and secure work environment to boost employee engagement
- (4) Enhancing corporate governance

## 2.2 Important Production and Marketing Strategies

### 2.2.1 Sales Policy

- (1) Strengthen the relationship with clients, increase both sales and the market share
- (2) Develop new specifications and new products in line with customer needs.
- (3) Develop the Company's own patents and create unique-selling-points (USP) to expand the markets
- (4) Stabilize sales and increase capacity utilization.

### 2.2.2 Production Policy

- (1) Implement industrial safety to reduce accident risks.
- (2) Stabilize raw material supply chain and product supply
- (3) Strengthen quality and improve customer satisfaction
- (4) Optimize process and increase utilization rate

## 2.3 Short-term and Long-term Business Development Plan

### 2.3.1 Short-term Plan

- (1) Strengthen the bonds with international manufacturers and increase the market share.
- (2) Develop and promote new products:

**New Phosphorus-Based Flame Retardant:** Designed primarily to enhance heat resistance in electronic substrates, this flame retardant addresses the growing thermal stability requirements of next-generation high-performance electronic devices such as servers and network communication equipment. Traditional phosphorus-based flame retardants can no longer meet these demands. San Fu has independently developed a novel flame retardant by modifying the DOPO chemical structure through the introduction of functional groups, resulting in superior flame-retardant performance compared to conventional DOPO derivatives.

**Triazine-Based UV Absorber:** Traditional UV-protection chemicals such as Oxybenzone and Octocrylene are gradually being listed for future bans by the European Union. Currently, Triazine compounds have not been included in such restrictions and command a higher market price. However, there are few manufacturers with mass production capabilities. San Fu has independently developed a new, more environmentally friendly manufacturing process for Triazine-based UV absorbers. This new process adopts an alternative reaction pathway that overcomes the limitations of conventional methods—specifically, the generation of large volumes of wastewater and the need for multiple reaction vessels—thus enabling cost-effective large-scale production.

**Polymeric Materials:** Traditional mass-market applications such as pipes and films are highly saturated, with numerous producers and sufficient supply, leading to generally lower market prices. To differentiate its offerings and secure better pricing, San Fu primarily collaborates with downstream partners to co-develop specialized materials. Key application areas include: supercritical foamed TPU shoe soles, TPU/TPV fabric composites, TPU materials for 3D printing, TPU shock-absorbing materials, and puncture-resistant PU coatings.

**BMI Materials:** Bismaleimide (BMI) resin is one of the key raw materials used in copper-clad laminates (CCL) and is known for its excellent physical

properties. However, conventional BMI resin structures tend to be brittle due to their low toughness. San Fu collaborates with clients to develop customized, modified BMI resins to address this limitation.

- (3) Refine processes to enhance quality standards and meet the demands of the market.

### 2.3.2 Long-term Plan

#### 2.3.2.1 Key trends and strategies on industrial transformation

Under such shortcomings as strict environmental regulations, limited natural resources, and increasing environmental costs, high-emission industries gradually lost their positions in the competitive market. To successfully navigate this changing landscape, chemical industry will need to develop low-pollution and high-economies-of-scale products.

#### 2.3.2.2 Research and development and technical services

- (1) Self-develop and form patent applications
- (2) Provide technical services to meet customer demands
- (3) Assist customers in developing customized products and grab the preemptive opportunities in the market

#### 2.3.2.3 Diversification Strategies

- (1) Well utilize the Company's know-hows in chemicals and manufacturing products.
- (2) Seek out businesses that are chemical-related and supported by the government

#### 2.3.2.4 "Save Energy, Save Earth"

In response to the "Save Energy, Save Earth" campaign, our future manufacturing process design will take action to promote energy saving, decarbonization, recycle and reuse.

## 3 Overview of Technology and R&D

### 3.1 Technical Level

In response to the development trend of international chemicals, the Company values novelty, inventive steps, industrial applicability, as well as growth potential. We mainly target chemicals that are highly demanded in the market and create technical barriers.

The Company's main research and development team are organic synthesis and polymer

chemistry technology experts. They cooperate with a production team with senior chemical manufacturing experience, together with trading professionals of great acuity on market development, to invest in research, development, production, OEM and marketing on polymer and fine chemical products.

### 3.2 Product Development Plan

More specifically speaking, the Company's (Sunko) products include PU, POLYOL, TPU, TPV, special plastic material, plant and environmental protection drugs, active pharmaceutical ingredients, anti-UV agent, polyolefin synthesis, PCB reducing agent, curing agent and graphene oxide, etc.

To improve the process efficiency, go green, and to recycle, reuse and reduce the energy consumption are the key concepts of polymer material development.

As for product development on fine chemicals, the research aims at new structures, new manufacturing processes, new formulations and new applications. To develop low-pollution and low-energy-consumption manufacturing process techniques is deemed as our corporate social responsibility.

Classification	Item
Fine Chemical Series	<ul style="list-style-type: none"> <li>- Develop phosphorus-containing flame retardants, and continuously develop energy saving and waste reduction technologies</li> <li>- <b>K-SORB:</b> Research on industrialization technology of new Triazine UV absorbent products</li> <li>- <b>K-CURE:</b> Develop applications of rubber and plastic cross-linking curing agent.</li> <li>- Continuously develop techniques on energy saving and decarbonization</li> </ul>
Polymer Series	<ul style="list-style-type: none"> <li>- New product development, continuous improvement and application research on TPU.</li> <li>- New product development, continuous improvement and application research on TPV, TPE elastomer</li> <li>- New product development, continuous improvement and application research on ETPU and ETPV expanded elastomer</li> </ul>

#### 4 Estimated product sales of 2025

Main Product	Classification	Annual Budget Sales Quantity
		Tons
Antioxidants	Fine Chemicals	4,060
Thermoplastic Pellets (TPU) Thermoplastic Elastomer (TPV)	Polymer	2,373
POLYOL and PU	Polymer	1,090
Agrochemicals	Plants and environmental protection drugs	367
Other fine chemicals (crosslinking curing agents, halogen-free flame retardants, electronic chemicals, nucleating agents)	Fine Chemicals	3,460
Others	Others	880
Total		<u>12,230</u>

#### 5 The Impact from the external competition, regulatory environment, and business operation

- (1) The global economic recovery remained sluggish. According to IMF forecasts, the global economic growth rate is projected to be 3.3% in 2025, which is significantly lower than the historical average of 3.7% recorded from 2000 to 2019.
- (2) Geopolitical risks impact supply chains and economic growth.
- (3) The petrochemical industry is facing overcapacity, resulting in a significant decline in product prices.
- (4) Trump's inauguration has created uncertainty in the market.
- (5) Taiwan lacks trade agreements, resulting in reduced competitiveness in the international market due to tariffs.
- (6) The increase in electricity fees and wages has significantly raised operating costs.
- (7) The tightening of environmental regulations and the rising cost of waste disposal have increased operating costs."

The enforcement of the Regional Comprehensive Economic Partnership (RCEP) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), featuring tariff reductions among member nations, is poised to negatively impact the competitiveness of

Gratitude for your presence at today's shareholders' meeting.

Wishing all shareholders good health and great fortune.

Chairman:

HUANG, TING-DI

General Manager:

CHANG, CHUN- PIN

Accounting Supervisor:

WANG, SHENG-HUI

**Attachment 2**

**SUNKO INK CO., LTD**  
**Audit Committees' Review Report**

The board of directors has prepared the Company's 2024 Business Report and Financial Statements, including parent only and consolidated financial statements. The financial statements were audited by CPA CHEN, MING-HUNG and CPA YEN, WEN-PI of Ernst & Young and issued an accompanying Independent Auditors' Report.

The Business Report, Financial Statements (including Parent Only and Consolidated Financial Statements), and the proposal for earnings appropriation have been reviewed and audited by the Audit Committee without any nonconformity found. We hereby submit this report according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act for your ratification.

Best Regards

The 2025 Annual General Meeting of Shareholders

SUNKO INK CO., LTD.  
Convener: TSOU, YEN-CHUNG

7 March 2025

Attachment 3

SUNKO INK CO., LTD

The Statement of Remuneration for Directors and Independent Directors

For the year ended 31 December 2024

3. Remuneration to Directors, General Manager and Deputy General Manager in 2024

3.1 Remuneration to Directors and Independent Directors

Unit: NT\$ (in thousands)

Title	Name	Remuneration								Ratio of total remuneration (A+B+C+D+E+ F+G) to net income (%)		Remuneration to concurrent employees						Ratio of total compensation (A+B+C+D+E+ F+G) to net income (%)		Compensation paid to directors from reinvested companies other than subsidiary		
		Compensation (A)		Severance pay (B)		Bonus to directors (C)		Allowance (D)				Salary, bonus, allowance (E)		Severance pay (F)		Profit sharing-employee bonus (G)						
		The company	Companies in the financial report	The company	Companies in the financial report	The company	Companies in the financial report	The company	Companies in the financial report	The company	Companies in the financial report	The company	Companies in the financial report	The company		Companies in the financial report		The company	Companies in the financial report			
														Cash	Stock	Cash	Stock					
Chairman	Representative of KT Investment Co, Ltd.:HUANG, TING-DI	-	-	-	-	-	-	30	30	(0.02)	(0.02)	2,911	2,911	-	-	-	-	-	-	(1.61)	(1.61)	-
Director	Representative of KT Investment Co, Ltd.: HUANG, SHUEN-HSIEN	-	-	-	-	-	-	30	30	(0.02)	(0.02)	2,017	2,017	99	99	-	-	-	-	(1.18)	(1.18)	-
Director	Representative of Chiaoli Investment Co., Ltd.: LIN, YU-PING	-	-	-	-	-	-	30	30	(0.02)	(0.02)	-	-	-	-	-	-	-	-	(0.02)	(0.02)	-
Director	Representative of Chiaoli Investment Co., Ltd.: HUANG, ZHAO-WEI	-	-	-	-	-	-	30	30	(0.02)	(0.02)	1,128	1,128	57	57	-	-	-	-	(0.67)	(0.67)	-
Independent Director	LI, SHIH-JEN	480	480	-	-	-	-	30	30	(0.28)	(0.28)	-	-	-	-	-	-	-	-	(0.28)	(0.28)	-
Independent Director	TSOU, YEN-CHUNG	480	480	-	-	-	-	30	30	(0.28)	(0.28)	-	-	-	-	-	-	-	-	(0.28)	(0.28)	-
Independent Director	LIN, YEN-TING	480	480	-	-	-	-	30	30	(0.28)	(0.28)	-	-	-	-	-	-	-	-	(0.28)	(0.28)	-

1. Please describe the policies, system, standards and structure of independent directors' remuneration payment, and explain the relationship between the remuneration amount and factors such as responsibilities, risks, and time spent: None.  
 2. Aside from what is disclosed in the above table, the remuneration earned by Directors providing services (e.g. consultant as a non-employee) to the Company: None.

Note: (C)(G) were draft numbers.

**AUDIT REPORT OF INDEPENDENT ACCOUNTANTS**

English Translation of a Report Originally Issued in Chinese

**Independent Auditors' Report**

To SUNKO INK CO., LTD.

**Opinion**

We have audited the accompanying parent company only balance sheets of SUNKO INK CO., LTD. (the "Company") as of 31 December 2024 and 2023, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended 31 December 2024 and 2023, and notes to the parent company only financial statements, including the summary of material accounting policies (together "the parent company only financial statements").

In our opinion, the parent company only financial statements referred to above present fairly, in all material respects, the parent company only financial position of the Company as of 31 December 2024 and 2023, and their parent company only financial performance and cash flows for the years ended 31 December 2024 and 2023, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2024 the parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Impairment of notes and accounts receivable

As of 31 December 2024, the Company's gross notes and accounts receivable and allowance for loss amounted to \$376,194 thousand and \$943 thousand respectively. Net notes and accounts receivable accounted for 11% of total assets which was material to the Company. Since the collection of notes and accounts receivable is the key factor in the working capital management of the Company, and the adoption of provision policy requires significant management judgement, we therefore determined this a key audit matter.

Our audit procedures included, but not limited to, understanding and testing the effectiveness of internal control over accounts receivable; assessing the reasonableness of allowance for loss policy, including understanding related information to evaluate expected credit loss ratio according to historical experience, current market and future economic outlook expected; investigating accounts receivable details, recalculating the reasonableness of allowance for loss based on the expected credit companies, and based on the expected loss rate by management assessment, reevaluating the reasonableness of loss provisioning of accounts receivable. We also assessed the adequacy of disclosures related to accounts receivable. Please refer to Notes 5 and 6 of the financial statements.

#### Inventory valuation

As of 31 December 2024, the Company's net inventories amounted to \$776,716 thousand, accounting for 23% of the total assets. The estimation of allowance for inventory valuation loss and obsolescence loss was based on inventories of the raw materials and finished goods. The estimation basis of inventory valuation based on the effect of products physical characteristic on quality, and the demand of products within a particular period in the future, the allowance for inventory valuation loss and obsolescence loss could be affected by management judgement. We therefore determined this a key audit matter.

Our audit procedures included, but were not limited to: assessing the effectiveness of obsolescence inventory internal control and the inventory valuation policy established by management, assessing stocktaking plan and selecting important storage locations to observe inventory counts to ensure quantities and status; obtaining inventory aging intervals to test whether the aging reports were reasonable; testing the unit cost and selling prices of inventories, sampled related certificates of purchases and sales to access the reasonableness of the net realizable value of inventories.

We also assessed the adequacy of the disclosures related to inventories in Notes 5 and 6.

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

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China and for such internal control as management determines is necessary to enable the preparation of the parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## **Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements**

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

As part of an audit in accordance the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2024 the parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

/s/Chen, Ming Hung

/s/Huang, Tzu Ping

Ernst & Young, Taiwan

7 March 2025

**Notice to Readers**

The accompanying parent company only financial statements are intended only to present the parent company only financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally accepted and applied in the Republic of China.

Accordingly, the accompanying parent company only financial statements and report of independent auditors are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese  
SUNKO INK CO., LTD.  
PARENT COMPANY ONLY BALANCE SHEETS  
31 December 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of 31 December	
		2024	2023
<b>Current assets</b>			
Cash and cash equivalents	4,6(1)	\$450,669	\$500,353
Notes receivable, net	4,6(13)&7	8,143	25,495
Accounts receivable, net	4,6(3)&(12)	375,251	426,374
Inventories, net	4,6(4)	776,716	879,655
Prepayments		72,991	52,358
Other current assets	12	1,902	1,138
<b>Total current assets</b>		<b>1,685,672</b>	<b>1,885,373</b>
<b>Non-current assets</b>			
Financial assets at fair value through other comprehensive income 4,13 -non-current		110,515	98,719
Financial assets measured at amortized cost - non current	4,6(2)&8	2,800	2,800
Investments accounted for under the equity method	4	1,615	2,555
Property, plant and equipment	4,6(5)&8	1,379,973	1,477,896
Right-of-use assets	4,6(13)&7	92,039	93,501
Intangible assets	4	2,059	2,049
Deferred tax assets	4,6(17)	84,133	80,642
Prepayment for equipment		36,911	61,972
Net defined benefit, non-current	4,6(9)	6,733	1,648
Other non-current assets	4	14,289	16,067
<b>Total non-current assets</b>		<b>1,731,067</b>	<b>1,837,849</b>
<b>Total Assets</b>		<b>\$3,416,739</b>	<b>\$3,723,222</b>

(continued)

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese  
SUNKO INK CO., LTD.  
PARENT COMPANY ONLY BALANCE SHEETS (Continued)  
31 December 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	As of 31 December	
		2024	2023
<b>Current liabilities</b>			
Short-term loans	4,6(6)	\$122,880	\$162,912
Financial liabilities at fair value through profit or loss, current	4,13	402	
Contract liabilities, current	4,6(11)	631	25,305
Notes payable		154	226
Accounts payable		213,329	184,919
Other payables	6(7)	151,341	168,466
Lease liabilities, current	4,6(13)&7	29,818	33,539
Current portion of long-term loans	4,6(8)	195,038	195,927
Other current liabilities	12,13	201	205
<b>Total current liabilities</b>		<u>713,794</u>	<u>771,499</u>
<b>Non-current liabilities</b>			
Long-term loans	4,6(8)	630,616	712,655
Deferred tax liabilities	4,6(17)	73,129	72,514
Lease liabilities, non-current	4,6(13)&7	60,550	58,859
<b>Total non-current liabilities</b>		<u>764,295</u>	<u>844,028</u>
<b>Total liabilities</b>		<u>1,478,089</u>	<u>1,615,527</u>
<b>Equity</b>			
<b>Capital</b>			
Common stock	6(10)	1,848,841	1,848,841
<b>Additional paid-in capital</b>	6(10)	42,255	42,255
<b>Retained earnings</b>	6(10)		
Legal reserve		86,893	86,893
Special reserve		-	3,366
Unappropriated earnings		(51,694)	125,782
<b>Other equity</b>		12,355	558
<b>Total equity</b>		<u>1,938,650</u>	<u>2,107,695</u>
 <b>Total Liabilities and Equity</b>		 <u>\$3,416,739</u>	 <u>\$3,723,222</u>

(The accompanying notes are an integral part of the parent company only financial statements)

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese  
SUNKO INK CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

For the years ended 31 December 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

	Notes	For the years ended 31 December	
		2024	2023
<b>Operating revenues</b>	4,6(11)&7	\$2,286,720	\$2,185,670
<b>Operating costs</b>	6(14)	(2,280,331)	(2,247,942)
<b>Gross profit</b>		6,389	(62,272)
<b>Operating expenses</b>	6(14)		
Selling and marketing expense		(54,330)	(57,950)
General and administrative expense		(89,373)	(90,179)
Research and development expense		(45,872)	(47,468)
Expected credit gain (loss)	6(12)	1,501	(175)
Total operating expenses		(188,074)	(195,772)
<b>Operating loss</b>		(181,685)	(258,044)
<b>Non-operating income and expenses</b>	6(15),7		
Interest revenue		5,390	2,934
Other income		7,440	9,692
Other gains and losses		11,135	(28,164)
Finance costs		(27,225)	(20,063)
Share of profit or loss of subsidiaries, associates and joint ventures	4	(940)	(2,014)
Total non-operating income and expenses		(4,200)	(37,615)
<b>Loss from continuing operations before income tax</b>		(185,885)	(295,659)
<b>Income tax benefit</b>	4,6(17)	3,309	17,692
<b>Net loss</b>		(182,576)	(277,967)
<b>Other comprehensive income (loss)</b>	6(16)		
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurements of defined benefit pension plans		2,167	2,591
Unrealized gains or losses from equity instruments investments measured at fair value through other comprehensive income		11,797	3,653
Income tax relating to items that will not be reclassified subsequently		(433)	(411)
<b>Items that may be reclassified subsequently to profit or loss</b>			
Share of other comprehensive income (loss) of associates and joint ventures which may be reclassified subsequently to profit or loss		-	473
Income tax relating to items that may be reclassified subsequently		-	(202)
<b>Total other comprehensive income , net of tax</b>		13,531	6,104
<b>Total comprehensive (loss) income</b>		\$(169,045)	\$(271,863)
<b>Loss per share (NT\$)</b>	4,6(18)		
Loss per share-basic		\$ (0.98)	\$ (1.50)
Loss per share-diluted		\$ (0.98)	\$ (1.50)

(The accompanying notes are an integral part of the parent company only financial statements)

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese  
SUNKO INK CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

For the years ended 31 December 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

		Total Equity							
		Retained Earnings				Other components of Equity			
		Common Stock	Additional Paid-in Capital	Legal Reserve	Special reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gains or Loss on Financial Assets Measured at Fair Value through other Comprehensive Income	Total Equity
Balance as of 1 January 2023	6(10)	\$1,848,841	\$42,255	\$80,019	\$1,205	\$429,092	\$(271)	\$(3,095)	\$2,398,046
Appropriation and distribution of 2022 retained earnings									
Legal reserve				6,874	(6,874)				-
Special reserve					2,161	(2,161)			-
Cash dividend on common stock						(18,488)			(18,488)
Net loss for the year ended 31 December 2023						(277,967)			(277,967)
Other comprehensive income, net of tax for the year ended 31 December 2023	6(16)				2,180		271	3,653	6,104
Total comprehensive income (loss)						(275,787)	271	3,653	(271,863)
Balance as of 31 December 2023		<u>\$1,848,841</u>	<u>\$42,255</u>	<u>\$86,893</u>	<u>\$3,366</u>	<u>\$125,782</u>	<u>\$-</u>	<u>\$558</u>	<u>\$2,107,695</u>
Balance as of 1 January 2024	6(10)	\$1,848,841	\$42,255	\$86,893	\$3,366	\$125,782	\$-	\$558	\$2,107,695
Appropriation and distribution of 2023 retained earnings									
Special reserve	6(10)				(3,366)	3,366			-
Net loss for the year ended 31 December 2024						(182,576)			(182,576)
Other comprehensive income, net of tax for the year ended 31 December 2024	6(16)				1,734			11,797	13,531
Total comprehensive income (loss)						(180,842)		11,797	(169,045)
Balance as of 31 December 2024		<u>\$1,848,841</u>	<u>\$42,255</u>	<u>\$86,893</u>	<u>\$-</u>	<u>\$(51,694)</u>	<u>\$-</u>	<u>\$12,355</u>	<u>\$1,938,650</u>

(The accompanying notes are an integral part of the parent company only financial statements)

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese

SUNKO INK CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the years ended 31 December 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	For the years ended 31 December		For the years ended 31 December	
	2024	2023	2024	2023
Cash flows from operating activities:				
Net loss before tax	\$(185,885)	\$(295,659)		
Adjustments to reconcile net loss before tax to net cash provided by operating activities:				
Depreciation expense (including amounts recorded in other gains and losses)	238,747	253,212		100,000
Amortisation expense (including amounts recorded in other expenses)	8,999	8,539		1,715
Expected credit (gain) loss	(1,501)	175	(66,071)	(80,352)
Net loss (gain) of financial assets/liabilities at fair value through profit or loss	402	(1,086)	267	236
Finance costs	27,225	20,063	(2,020)	(782)
Interest revenue	(5,390)	(2,934)	(4,477)	6,724
Dividend income	(2,778)	(5,579)	(17,956)	(53,175)
Share of profit or loss of subsidiaries, associates and joint ventures	940	2,014	-	14,981
Loss on disposal of property, plant and equipment	364	476	(90,257)	(10,653)
Loss on disposal of investments	-	3,182		
Impairment loss on non-financial assets	-	11,164		
Other	-	94		
Changes in operating assets and liabilities:				
Decrease (increase) in notes receivable	17,352	(7,842)	681,716	457,905
Increase in accounts receivable	51,890	123,527	(721,748)	(593,984)
Increase in other receivables	(403)	(262)	130,000	492,633
Decrease in inventories, net	102,939	182,512	(212,938)	(330,969)
(Increase) decrease in prepayments	(20,633)	9,782	(36,459)	(37,408)
Increase in other current assets	(280)	(55)		
Decrease in contract liabilities	(24,674)	(56,080)		
Decrease in notes payable	(72)	(55)		
Decrease (increase) in accounts payable	28,410	(112,267)	(159,419)	(30,311)
Decrease in other payables	(13,142)	(12,471)	(49,684)	67,983
(Decrease) increase in other current liabilities	(4)	10	500,353	432,370
Decrease in net defined benefit obligation, noncurrent	(2,918)	(3,227)		
Cash generated from operations	219,588	117,233	\$450,669	\$500,353
Interest received	5,309	3,217		
Dividends received	2,778	5,579		
Interest paid	(27,683)	(20,806)		
Income tax paid	-	3,724		
Net cash provided by operating activities	199,992	108,947		
(The accompanying notes are an integral part of the parent company only financial statements)				

## **AUDIT REPORT OF INDEPENDENT ACCOUNTANTS**

English Translation of a Report Originally Issued in Chinese

### **Independent Auditors' Report**

To SUNKO INK CO., LTD.

### **Opinion**

We have audited the accompanying consolidated balance sheets of SUNKO INK CO., LTD. and its subsidiaries (the "Group") as of 31 December 2024 and 2023, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended 31 December 2024 and 2023, and notes to the consolidated financial statements, including the summary of material accounting policies (together "the consolidated financial statements").

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company as of 31 December 2024 and 2023, and their consolidated financial performance and cash flows for the years ended 31 December 2024 and 2023, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2024 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Impairment of notes and accounts receivable

As of 31 December 2024, the Group's and its subsidiaries' gross notes and accounts receivable and allowance for loss amounted to \$376,194 and \$943 respectively. Net notes and accounts receivable accounted for 11% of consolidated total assets which was material to the Group. Since the collection of notes and accounts receivable is the key factor in the working capital management of the Group, and the adoption of provision policy requires significant management judgement, we therefore determined this a key audit matter.

Our audit procedures included, but not limited to, understanding and testing the effectiveness of internal control over accounts receivable; assessing the reasonableness of allowance for loss policy, including understanding related information to evaluate expected credit loss ratio according to historical experience, current market and future economic outlook expected; investigating accounts receivable details, recalculating the reasonableness of allowance for loss based on the expected credit groups, and based on the expected loss rate by management assessment, reevaluating the reasonableness of loss provisioning of accounts receivable. We also assessed the adequacy of disclosures related to accounts receivable. Please refer to Notes 5 and 6 of the consolidated financial statements.

#### Inventory valuation

As of 31 December 2024, the Group's net inventories amounted to \$776,716 accounting for 23% of the total consolidated assets. The estimation of allowance for inventory valuation loss and obsolescence loss was based on inventories of the raw materials and finished goods. The estimation basis of inventory valuation based on the effect of products physical characteristic on quality, and the demand of products within a particular period in the future, the allowance for inventory valuation loss and obsolescence loss could be affected by management judgement. We therefore determined this a key audit matter.

Our audit procedures included, but were not limited to: assessing the effectiveness of obsolescence inventory internal control and the inventory valuation policy established by management, assessing stocktaking plan and selecting important storage locations to observe inventory counts to ensure quantities and status; obtaining inventory aging intervals to test whether the aging reports were reasonable; testing the unit cost and selling prices of inventories, sampled related certificates of purchases and sales to access the reasonableness of the net realizable value of inventories.

We also assessed the adequacy of the disclosures related to inventories in Notes 5 and 6.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2024 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Others**

We have audited and expressed an unqualified opinion on the parent company only financial statements of the Company as of and for the years ended 31 December 2024 and 2023.

/s/Chen, Ming Hung

/s/Huang, Tzu Ping

Ernst & Young, Taiwan

7 March 2025

#### **Notice to Readers**

The accompanying consolidated financial statements are intended only to present the consolidated financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

English Translation of Consolidated Financial Statements Originally Issued in Chinese  
SUNKO INK CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
31 December 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of 31 December	
		2024	2023
<b>Current assets</b>			
Cash and cash equivalents	4,6(1)	\$450,917	\$517,747
Financial assets measured at amortized cost, current	4,6(2)	500	2,000
Notes receivable, net	4,6(1)	8,143	25,495
Accounts receivable, net	4,6(3)&(12)	375,251	408,419
Inventories, net	4,6(4)	776,716	879,655
Prepayments		73,362	52,726
Other current assets	12	1,911	1,804
<b>Total current assets</b>		<u>1,686,800</u>	<u>1,887,846</u>
<b>Non-current assets</b>			
Financial assets at fair value through other comprehensive income 4,13 -non-current		110,515	98,719
Financial assets measured at amortized cost - non current	4,6(2)&8	2,800	2,800
Property, plant and equipment	4,6(5)&8	1,379,973	1,477,896
Right-of-use assets	4,6(13)&7	92,039	93,501
Intangible assets	4	2,059	2,049
Deferred tax assets	4,6(17)	84,660	81,169
Prepayment for equipment		36,911	61,972
Net defined benefit, non-current	4,6(9)	6,733	1,648
Other non-current assets	4	14,289	16,066
<b>Total non-current assets</b>		<u>1,729,979</u>	<u>1,835,820</u>
<b>Total Assets</b>		<u>\$3,416,779</u>	<u>\$3,723,666</u>

(continued)

English Translation of Consolidated Financial Statements Originally Issued in Chinese  
SUNKO INK CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS (Continued)  
31 December 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	As of 31 December	
		2024	2023
<b>Current liabilities</b>			
Short-term loans	4,6(6)	\$122,880	\$162,912
Financial liabilities at fair value through profit or loss, current	12(8)	402	-
Contract liabilities, current	4,6(11)	631	25,305
Notes payable		154	226
Accounts payable		213,329	184,919
Other payables	6(7)	151,381	168,909
Lease liabilities, current	4,6(13)&7	29,818	33,539
Current portion of long-term loans	4,6(8)	195,038	195,927
Other current liabilities	12,13	201	206
<b>Total current liabilities</b>		<u>713,834</u>	<u>771,943</u>
<b>Non-current liabilities</b>			
Long-term loans	4,6(8)	630,616	712,655
Deferred tax liabilities	4,6(17)	73,129	72,514
Lease liabilities, non-current	4,6(13)&7	60,550	58,859
<b>Total non-current liabilities</b>		<u>764,295</u>	<u>844,028</u>
<b>Total liabilities</b>		<u>1,478,129</u>	<u>1,615,971</u>
<b>Equity</b>			
<b>Capital</b>			
Common stock	6(10)	1,848,841	1,848,841
<b>Additional paid-in capital</b>	6(10)	42,255	42,255
<b>Retained earnings</b>	6(10)		
Legal reserve		86,893	86,893
Special reserve		-	3,366
Unappropriated earnings		(51,694)	125,782
<b>Subtotal</b>		<u>35,199</u>	<u>216,041</u>
<b>Other equity</b>		<u>12,355</u>	<u>558</u>
<b>Total equity</b>		<u>1,938,650</u>	<u>2,107,695</u>
 <b>Total Liabilities and Equity</b>		 <u>\$3,416,779</u>	 <u>\$3,723,666</u>

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese  
SUNKO INK CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
For the years ended 31 December 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

	Notes	For the years ended 31 December	
		2024	2023
<b>Operating revenues</b>	4,6(11)&7	\$2,286,720	\$2,185,671
<b>Operating costs</b>	6(14)	<u>(2,280,331)</u>	<u>(2,247,941)</u>
<b>Gross profit</b>		<u>6,389</u>	<u>(62,270)</u>
<b>Operating expenses</b>	6(14)		
Selling and marketing expense		(55,217)	(59,332)
General and administrative expense		(89,585)	(90,789)
Research and development expense		(45,872)	(47,468)
Expected credit gain (loss)	6(12)	<u>1,501</u>	<u>(175)</u>
Total operating expenses		<u>(189,173)</u>	<u>(197,764)</u>
<b>Operating loss</b>		<u>(182,784)</u>	<u>(260,034)</u>
<b>Non-operating income and expenses</b>	6(15),7		
Interest revenue		5,414	3,069
Other income		7,440	9,692
Other gains and losses		11,270	(28,764)
Finance costs		(27,225)	(20,063)
Share of profit or loss of subsidiaries, associates and joint ventures	4	<u>-</u>	<u>(50)</u>
Total non-operating income and expenses		<u>(3,101)</u>	<u>(36,116)</u>
<b>Loss from continuing operations before income tax</b>		<u>(185,885)</u>	<u>(296,150)</u>
<b>Income tax benefit</b>	4,6(17)	<u>3,309</u>	<u>18,183</u>
<b>Net loss</b>		<u>(182,576)</u>	<u>(277,967)</u>
<b>Other comprehensive loss</b>	6(16)		
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurements of defined benefit pension plans		2,167	2,591
Unrealized gains or losses from equity instruments investments measured at fair value through other comprehensive income		11,797	3,653
Income tax relating to items that will not be reclassified subsequently		(433)	(411)
<b>Items that may be reclassified subsequently to profit or loss</b>			
ventures which may be reclassified subsequently to profit or loss		-	473
Income tax relating to items that may be reclassified subsequently		<u>-</u>	<u>(202)</u>
<b>Total other comprehensive income , net of tax</b>		<u>13,531</u>	<u>6,104</u>
<b>Total comprehensive loss</b>		<u><u>\$(169,045)</u></u>	<u><u>\$(271,863)</u></u>
<b>Loss per share (NT\$)</b>	4,6(18)		
Loss per share-basic		<u>\$ (0.98)</u>	<u>\$ (1.50)</u>
Loss per share-diluted		<u>\$ (0.98)</u>	<u>\$ (1.50)</u>

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese  
SUNKO INK CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
For the years ended 31 December 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

	Total Equity							
	Retained Earnings			Other components of Equity				
	Common Stock	Additional Paid-in Capital	Legal Reserve	Special reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gains or Loss on Financial Assets Measured at Fair Value through other Comprehensive Income	Total Equity
Balance as of 1 January 2023	6(10)	\$42,255	\$80,019	\$1,205	\$429,092	\$(271)	\$(3,095)	\$2,398,046
Appropriation and distribution of 2022 retained earnings								
Legal reserve			6,874		(6,874)			-
Special reserve				2,161	(2,161)			-
Cash dividend on common stock					(18,488)			(18,488)
Net loss for the year ended 31 December 2023					(277,967)			(277,967)
Other comprehensive income, net of tax for the year ended 31 December 2023	6(16)				2,180	271	3,653	6,104
Total comprehensive income (loss)					(275,787)	271	3,653	(271,863)
Balance as of 31 December 2023	<u>\$1,848,841</u>	<u>\$42,255</u>	<u>\$86,893</u>	<u>\$3,366</u>	<u>\$125,782</u>	<u>\$-</u>	<u>\$558</u>	<u>\$2,107,695</u>
Balance as of 1 January 2024	6(10)	\$42,255	\$86,893	\$3,366	\$125,782	\$-	\$558	\$2,107,695
Appropriation and distribution of 2023 retained earnings								
Special reserve				(3,366)	3,366			-
Net loss for the year ended 31 December 2024					(182,576)			(182,576)
Other comprehensive income, net of tax for the year ended 31 December 2024	6(16)				1,734		11,797	13,531
Total comprehensive income (loss)					(180,842)		11,797	(169,045)
Balance as of 31 December 2024	<u>\$1,848,841</u>	<u>\$42,255</u>	<u>\$86,893</u>	<u>\$-</u>	<u>\$(51,694)</u>	<u>\$-</u>	<u>\$12,355</u>	<u>\$1,938,650</u>

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese  
SUNKE INK CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the years ended 31 December 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

	For the years ended 31 December		For the years ended 31 December	
	2024	2023	2024	2023
Cash flows from operating activities:				
Net loss before tax	\$(183,885)	\$(296,150)		
Adjustments to reconcile net loss before tax to net cash provided by operating activities:				
Depreciation expense (including amounts recorded in other gains and losses)	238,747	253,212		(500)
Amortisation expense (including amounts recorded in other expenses)	8,998	8,539		2,000
Expected credit (gain) loss	(1,501)	175		1,715
Net loss (gain) of financial assets/liabilities at fair value through profit or loss	402	(1,086)		(66,071)
Finance costs	27,225	20,063		267
Interest revenue	(5,414)	(3,069)		(2,020)
Dividend income	(2,778)	(5,579)		(4,477)
Share of profit or loss of subsidiaries, associates and joint ventures	-	50		(17,956)
Loss on disposal of property, plant and equipment	364	476		1,981
Loss on disposal of investments	-	3,182		(88,757)
Impairment loss on non-financial assets	-	11,164		
Other	-	94		
Changes in operating assets and liabilities:				
Decrease (increase) in notes receivable	17,352	(7,842)		681,716
Decrease in accounts receivable	33,935	141,087		(721,748)
Decrease (increase) in other receivables	256	(1,365)		130,000
Decrease in inventories, net	102,939	182,512		(212,928)
(Increase) decrease in prepayments	(20,636)	9,779		(36,459)
(Increase) decrease in other current assets	(279)	235		(159,419)
Decrease in contract liabilities	(24,674)	(56,184)		(66,830)
Decrease in notes payable	(72)	(55)		517,747
Decrease (increase) in accounts payable	28,410	(112,267)		\$450,917
Decrease in other payables	(13,545)	(12,175)		
(Decrease) increase in other current liabilities	(5)	9		
Decrease in net defined benefit obligation, noncurrent	(2,918)	(3,227)		
Cash generated from operations	200,921	131,578		
Interest received	5,330	3,352		
Dividends received	2,778	5,579		
Interest paid	(27,683)	(20,806)		
Income tax paid	-	30		
Net cash provided by operating activities	181,346	119,733		
Cash flows from financing activities:				
Increase in short-term loans	-	11,164		
Decrease in short-term loans	-	-		
Increase in long-term loans	-	-		
Repayment of long-term loans	-	-		
Cash payments for the principle portion of the lease liabilities	-	-		
Cash dividends paid	-	-		
Net cash used in financing activities	-	-		
Net (decrease) increase in cash and cash equivalents	(24,674)	(56,184)		
Cash and cash equivalents at beginning of year	(72)	(55)		
Cash and cash equivalents at end of year	181,346	119,733		

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

## Attachment 5

### SUNKO INK CO., LTD Comparison Table of Amendment of old and new provisions

Article Number		Document Name	Articles of Incorporation
Version	39	Issue Date	114.06.11
Mark-up Version(No.38)		Clean Version(No.39)	
<p><b>Article 30:</b> In the event that the Company generates a profit for the year, 3% of the pre-tax net profit shall be allocated for employee compensation, and no more than 1% for director compensation. However, if the Company has accumulated losses, the amount needed to offset such losses shall be reserved first, after which employee and director compensation will be allocated in accordance with the aforementioned percentages.</p> <p>Employee compensation is distributed in the form of stock or cash, with recipients including employees of subsidiary companies who meet certain conditions. The distribution of employee and director compensation is decided by the Board of Directors through a resolution passed with the attendance of at least two-thirds of the directors and the approval of a majority of the attending directors, and is reported to the Shareholders' Meeting.</p>		<p><b>Article 30:</b> In the event that the Company generates a profit for the year (which refers to the pre-tax net profit after deducting employee compensation and director compensation), 3% of the profit shall be allocated for employee compensation (with no less than 1.5% of the profit allocated to basic-level employees), and no more than 1% for director compensation. However, if the Company has accumulated losses, the amount necessary to offset such losses shall be reserved first, and then the employee and director compensation will be allocated in accordance with the aforementioned percentages.</p> <p>Employee compensation is distributed in the form of stock or cash, with recipients including employees of subsidiary companies who meet certain conditions. The distribution of employee and director compensation is decided by the Board of Directors through a resolution passed with the attendance of at least two-thirds of the directors and the approval of a majority of the attending directors, and is reported to the Shareholders' Meeting.</p> <p><b>Article 33:</b> (Newly added revision history) ... (omitted) The 39th revision was completed on June 11, 2025</p>	

## Attachment 6

**The Table for release the Board of Directors from Non-competition Restriction**

<b>Name</b>	<b>Company's Name</b>	<b>Position</b>	<b>Note</b>
HUANG, TING-DI	KT Investment Co., Ltd.	Supervisor	
	Chiaoli Investment Company, Limited	Director	
	Macy Investment Co., Ltd.	Director	
	KUO CHING DEVELOPMENT CORPORATION	Principal	
LIN, YU-PING	Chiaoli Investment Company, Limited	Director	
	Macy Investment Co., Ltd.	Director	
CHUNG, KAI-SHIUN	United Renewable Energy Co., Ltd.	Director	
	ABONMAX CO., LTD	Director	
	ENLIGHT CORPORATION	Director	
	Min Aik Precision Industrial Co., Ltd	Independent Director	
HO, CHIEN-HSING	EASTERN ELECTRONICS CO., LTD.	Director	
	LOGICOM INC.	Director	
	DEE VAN ENTERPRISE CO., LTD.	Director	
	UP SCIENTECH MATERIALS CORP.	Director	

## **Appendix 1**

### **SUNKO INK CO., LTD**

#### **Rules of Procedures for Shareholders Meeting**

##### **Article 1**

Unless otherwise provided by law or the Articles of Incorporation, the Shareholders Meetings of the Company shall be conducted in accordance with the Rules of Procedures for Shareholders' Meeting (hereinafter "the Rules").

##### **Article 2**

The Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.

The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform. The votes of the meeting may be exercised in writing or by electronic means. Except otherwise regulated in relevant laws and regulations, such votes shall be counted in determining the said number of shares of attending Shareholders.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:

- (1) For physical shareholders meetings, to be distributed on-site at the meeting.

(2) For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.

(3) For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with this Corporation two days before the meeting date.

In the event of a virtual shareholders meeting, this Corporation shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

### **Article 3**

Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 2.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

#### **Article 4**

The shareholders' meeting shall proceed exactly in accordance with the agenda unless changed by the shareholders' meeting resolution. The shareholders' meetings that are convened by the board of directors shall be chaired by the chairman. When the chairman is on leave of absence or for any reason unable to exercise the powers of the chairman, the board shall consign another delegate to be his/her proxy pursuant to the Company Act. The director who serve as chairman shall have serve his/ her post for more than six months and be familiar with the Company's financials and operations. The same applies to the director who represents a corporate person.

The preceding paragraph shall apply mutatis mutandis where a shareholders' meeting is convened by a party other than the board of directors.

The chairman shall not declare the meeting adjourned prior to the completion of deliberation on the meeting agenda as specified in the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting.

If the chairman violates the rules of Procedures and announces adjournment, other members of the board of directors shall vote to elect one delegate to serve as chairman with more than half of the attending shareholders' voting rights and continue the meeting.

#### **Article 5**

The Company shall tape-record or videotape the whole process of the meeting, and properly keep the record for at least 1 year. During the meeting, the chairman may announce a recess at such time as the chairman thinks appropriate.

If a shareholder files a lawsuit against the abovementioned recorded audio-visual materials, according to Article 189 of the Company Act, the documents shall be retained until the end of the litigation.

Where a shareholders meeting is held online, this Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by this Corporation during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders meeting, this Corporation is advised to audio and video record the back-end operation interface of the virtual meeting platform.

#### **Article 6**

Before speaking, a shareholder shall submit a speaker's slip bearing his/ her name and attendance card number. The chairman shall determine the sequence of speeches by shareholders.

#### **Article 7**

The Meeting shall proceed in accordance with the agenda. If any shareholder violates or exceeds the scope of the discussion issue, the chairman shall stop the shareholder from speaking.

#### **Article 8**

Each shareholder shall not speak more than five minutes. Only under the permission of the chairman shall the shareholder extend his/ her speech for three more minutes. If such shareholder goes beyond the allocated time, the chairman shall stop the shareholder from speaking.

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

#### **Article 9**

Each shareholder shall not speak more than twice on the same discussion issue.

## **Article 10**

The chairman shall announce the discussion closed and call for a vote, if the chairman deems it appropriate.

## **Article 11**

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same

day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

For issues involving the interest of specific shareholders and may jeopardize the interest of the Company as well, such shareholders shall not take part in the voting and shall not exercise voting rights as proxy for any other shareholder.

When this Corporation convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When this Corporation convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 2 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

## **Article 11-1**

The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the list of names of those elected as directors and the numbers of votes with which they are elected.

## **Article 12**

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

## **Article 13**

Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.

Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.

This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and

upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. If, however, this Corporation has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby.

On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During this Corporation's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

#### **Article 14**

In the event of a virtual shareholders meeting, this Corporation shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

#### **Article 15**

When this Corporation convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

## **Article 16**

In the event of a virtual shareholders meeting, this Corporation may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.

In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.

When this Corporation convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

When postponing or resuming a meeting according to the second paragraph, this Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with

the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporation shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.

#### **Article 17**

In case of an air-raid alert, the adjournment or suspension of the meeting shall be announced immediately. Shareholders shall take action to evacuate from the building and resume the meeting an hour after the alert is lifted.

#### **Article 18**

When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.

#### **Article 19**

The rules herein shall be enforced after being approved at the shareholders' meeting. The same shall apply to any amendments.

The Rules were established on 25 May 1991.

The first amendment was made on 5 June 2002.

The second amendment was made on 14 June 2012.

The third amendment was made on 24 June 2013.

The fourth amendment was made on 4 May 2016.

The fifth amendment was made on 14 June 2023.

## Appendix 2

# SUNKO INK CO., LTD

## Articles of Incorporation

### Chapter 1 General Provisions

- Article 1      The Company is incorporated pursuant to the relevant regulations set forth in the Company Act with the name of SUNKO INK CO., LTD (hereinafter “the Company”).
- Article 2      The Company is engaged in the following business:
01. C301010 Yarn Spinning Mills
  02. C801010 Basic Industrial Chemical Manufacturing
  03. C801030 Precision Chemical Materials Manufacturing
  04. C801060 Synthetic Rubber Manufacturing
  05. C801100 Synthetic Resin & Plastic Manufacturing
  06. C801110 Fertilizers Manufacturing
  07. C801990 Other Chemical Materials Manufacturing
  08. C802041 Western Medicines Manufacturing
  09. C802070 Agro-Pesticides Manufacturing
  10. C802080 Pesticides Manufacturing
  11. C802100 Cosmetics Manufacturing
  12. C802120 Industrial Catalyst Manufacturing
  13. C802170 Poisonous Chemical Material Manufacturing
  14. C802200 Paints, Varnishes, Lacquers, Dyeing Mills and Dyestuff Manufacturing
  15. C802990 Other Chemical Products Manufacturing
  16. C805010 Plastic Sheets, Pipes and Tubes Manufacturing
  17. C805020 Plastic Sheets and Bags Manufacturing
  18. C805030 Plastic Made Grocery Manufacturing
  19. C805990 Other Plastic Products Manufacturing
  20. F107010 Wholesale of Paints, Varnishes and Lacquers

21. F107020 Wholesale of Dyeing Mills and Dyestuff
22. F107040 Wholesale of Agro-Pesticides
23. F107050 Wholesale of Manure
24. F107060 Wholesale of Poisonous Chemical Material
25. F107080 Wholesale of Pesticides
26. F107170 Wholesale of Industrial Catalyst
27. F107190 Wholesale of Plastic Sheets and Bags
28. F107200 Wholesale of Chemical Materials
29. F107990 Wholesale of Other Chemical Materials
30. F108040 Wholesale of Cosmetics
31. F207010 Retail Sale of Paints, Varnishes and Lacquers
32. F207020 Retail Sale of Dyeing Mills and Dyestuff
33. F207040 Retail Sale of Agro-Pesticides
34. F207050 Retail Sale of Manure
35. F207060 Retail Sale of Poisonous Chemical Material
36. F207080 Retail Sale of Pesticides
37. F207170 Retail Sale of Industrial Catalyst
38. F207190 Retail Sale of Plastic Sheets and Bags
39. F207200 Retail Sale of Chemical Materials
40. F207990 Retail Sale of Other Chemical Materials
41. F208040 Retail Sale of Cosmetics
42. F211010 Retail Sale of Building Materials
43. F213080 Retail Sale of Machinery and Equipment
44. F401010 International Trade
45. ZZ99999 Except where permits are required, to run operations not forbidden or limited by laws and regulations

Article 3 The Company is headquartered in Taichung City and may establish branch companies domestically or overseas at the resolution by the Board of Directors where necessary.

Article 4 The Company shall render external guarantees depending upon the business needs. The operation procedure thereof shall be handled pursuant to the Endorsement and Guarantee Procedures.

## **Chapter 2 Capital Stock**

Article 5 The total capital of the Company shall be in the amount of \$2.5 billion, divided into 250 million shares with a par value of \$10 each. The Board of Directors is authorized to conduct issuance in installments.

Article 6 The shares of the Company shall be registered, which shall be signed or sealed by at least three directors, and the shares shall be appropriately serial numbered, and certified by the competent authority.

Shares issued by the Company may be exempted from printing the share certificates. However, they shall be registered by the Taiwan Depository & Clearing Corporation.

Article 7 (Article Deleted)

Article 8 (Article Deleted)

Article 9 (Article Deleted)

Article 10 Any registration or change of shares shall not be conducted within 60 days prior to the general shareholders' meeting, 30 days prior to the extraordinary shareholders' meeting, or 5 days prior to the date for the distribution of dividends or other interests by the Company.

Article 11 The share related affairs of the Company shall be conducted pursuant to the relevant rules and regulations prescribed by the competent authority.

## **Chapter 3 Shareholders Meeting**

Article 12 There are two types of shareholders' meetings: the general meetings and the extraordinary meetings.

(1) General meetings shall be held within 6 months after the end of each fiscal year.

(2) The Extraordinary Meetings shall be duly convened, if necessary, in accordance with the relevant laws.

Article 13 Pursuant to Article 177 of the Company Act and Article 25-1 of Securities Exchange Act, a shareholder may appoint a proxy to attend the meeting on his/ her behalf. A signed or sealed proxy letter shall be given upon appointing a proxy.

- Article 14 The chairman shall be the chairperson of the shareholders' meetings. In case the chairman is absent, he/she may designate one director to act as a proxy. In case where no designation of proxy is made, the Directors shall elect the chairperson amongst themselves.
- Article 15 Except under the circumstances set forth in the Company Act, each shareholder shall be entitled one voting right for each share.
- Article 16 The shareholders' meeting shall proceed exactly in accordance with the agenda unless changed by the shareholders' meeting.
- Unless otherwise provided by the Company Act, a resolution shall be passed if it is agreed by the majority of the attending shareholders, and such attending shareholders shall present more than half of the number of shares issued.
- Article 17 Pursuant to Article 183 of the Company Act.
- Resolutions adopted by the Shareholders' Meeting shall be recorded in a meeting minute signed by or affixed with the personal seal of the chairman. The meeting minute shall be distributed to all the shareholders within 20 days after the shareholders' meeting.
- The meeting minute shall contain information such as the time and venue of the meeting, name of the chairman of the meeting, and a summary and outcome of all proceedings of the meeting.

#### **Chapter 4 Board of Directors**

- Article 18 The Company shall have five to nine Directors.
- The term of office for Directors shall be three years and the Directors shall be eligible for re-elections.
- The election of the Directors shall adopt the candidate nomination system. The shareholders shall elect the Directors from the list of candidates given by the Company.
- Relevant matters of the professional qualification, nomination and election as well as other necessary requirements shall comply with the Company Act, Securities Exchange Act, and other relevant laws and regulations.

The Company shall purchase liability insurance for directors with respect to their liabilities based on their duties and terms.

Article18-1 Pursuant to Article 14-2 of the Securities Exchange Act, among the directors, there shall be no less than three Independent Directors. The number of Independent Directors shall be no less than one fifth of the directors.

Each share shall have voting rights in number equal to the directors to be elected, and such rights can be combined to vote for one candidate or divided to vote for several candidates. The candidate whom the most votes cast for shall be the Director. Elections for independent and non-independent directors shall be held at the same time but counted and elected separately.

Article18-2 Pursuant to Article 14-4 of the Securities Exchange Act, the Company shall establish Audit Committee, consisting of all Independent Directors. Duties and rules to abided by of the Audit Committee shall be conducted in accordance to the Company Act, the Securities Exchange Act, the Articles of Incorporation and other relevant laws and regulations.

Article 19 When one third of the Board become vacant or when all the Independent Directors are discharged, the Board shall convene an extraordinary shareholders meeting within 60 days to re-elect, and the tenure thereof shall be the remaining terms of the vacancy.

When an Independent Director is discharged from his/ her position, the Board shall fill the vacancy during the next shareholders meeting.

Article 20 When new directors are not elected in time before the expiration of the tenure of the existing directors, the said tenure shall be extended until the new directors are elected and assumed their office.

Article 21 The directors shall form a Board of Directors. The chairman and vice chairman shall be elected by and from among the directors with the attendance of more than two-thirds of the directors. The chosen chairman shall conduct all the business of the Company pursuant to the laws and regulations, Articles of Incorporation and resolutions adopted at the shareholders' meetings and directors' meetings.

Article21-1 Directors of this Company are not restricted to the "non-compete clause" from Article 209 of the Company Act. This article is only applicable to

Article 2-11 to 2-23 of the Articles of Incorporation. Also, one shall explain to the shareholders meeting about the contents of such action and obtain approvals from the shareholders.

Article 22 The business policies and other important matters shall be determined by the Board.

Except for the first meeting of each term of the Board, which shall be convened and presided pursuant to Article 203 of the Company Act, all other Board meetings shall be convened and presided by the chairman. When the chairman is unable to perform his/ her duties, he/ she may designate a director to act on his/ her behalf. In case there is no appointed delegate, the directors shall elect one from among themselves.

Article 23 Unless otherwise provided in the Company Act, the Board meetings shall be attended by a majority of the directors. When a director cannot attend the meeting, he/ she may appoint another director to act on his/ her behalf, by presenting a power of attorney stating the scope of authorization regarding each matter proposed to be dealt with at the meeting, provided that such appointment shall be limited to one director only.

Article23-1 The Board meeting shall be convened at least once every three months. The notices of meeting shall indicate the subjects of the meeting and be delivered to all Directors seven days prior to the scheduled date. When urgent, a meeting may be convened at any time. The notices of meeting shall be sent by means of fax or email.

Article 24 Resolutions at a Board meeting shall be recorded in a meeting minute signed by or affixed with the personal seal of the chairman. The meeting minute shall be distributed to all Directors within 20 days after the Board meeting and shall contain information such as a summary and outcome of all proceedings of the meeting.

Article 25 The Company shall abolish the supervisor procedures when establishing an Audit Committee. The Audit Committee or its members shall be responsible for performing duties that are provided under the Company Act, Securities and Exchange Act, and other relevant laws and regulations.

Article25-1 Whether the Company makes profit or not, the Board shall give compensation to the directors who have performed their duties. The Board is authorized to decide the compensation to directors according to his/her

contribution to the operation and involvement in the operation of the Company, comparable to peers' levels.

### **Chapter 5 Managers and Personnel**

Article 26 The Company shall appoint one or more managers. The appointment, removal, and compensation of the managers shall be approved by more than 50% of the attending directors who shall be more than 50% of all directors.

Article 27 The Company may, by resolution of the Board, retain consultants or key officers. (Pursuant to Article 23.)

Article 28 Appointment of other personnel shall be arranged according to the Company Personnel Rules and Procedures.

### **Chapter 6 Accounting**

Article 29 The Board shall prepare the following reports after the end of each fiscal year and submit to the Audit Committee for auditing thirty days prior to the general shareholders' meeting for their ratifications.

(1) Business Report

(2) Financial Statements

(3) Proposal of distribution of earnings or Covering of losses.

Article 30 If the Company has profits in a fiscal year, it shall set aside 3% of the profits as employee bonuses and not more than 1% of the profit as director compensation. However, if the Company has accumulated losses, it shall first reserve a certain amount for offsetting losses, then allocate for the employee bonuses and director compensation proportionally from the remaining amount.

Employees bonuses shall be distributed in forms of stock or cash.

Both employees' bonuses and directors compensation are resolved by over half of the votes at a Board of Directors meeting attended by at least two-thirds of the total number of directors and shall be reported to the shareholders' meeting.

Article30-1 When allocating the earnings, the Corporation shall first estimate and reserve the taxes to be paid, offset its losses, set aside a legal capital reserve at 10% of the remaining earnings provided that the amount of accumulated legal capital reserve has not reached the amount of the paid-in capital of the Corporation, then set aside a special capital reserve in accordance with relevant laws or regulations or as requested by the authorities in charge. The Board shall submit proposals to the shareholders' meeting for resolution.

Except under conditions governed by the Company Act and the Articles of Incorporation, concerning the concept of going concern, distribution of earnings shall be proposed during the shareholders' meeting each year, depending on the business results, financial status, and capital planning.

The total amount of dividends shall be less than 20% of amount of cash dividends distributed.

### **Chapter 7 Supplementary Provisions**

Article 31 The Board shall determine the company bylaws and the detailed procedures.

Article 32 Issues that are not fully addressed in the Articles of Incorporation shall be processed in accordance with the Company Act and other relevant rules and regulations.

Article 33 These Articles of Incorporation were established on 11 December 1974.

The first amendment was made on 30 June 1975.

The second amendment was made on 18 May 1976.

The third amendment was made on 30 August 1977.

The fourth amendment was made on 10 November 1978.

The fifth amendment was made on 5 September 1980.

The sixth amendment was made on 14 October 1980.

The seventh amendment was made on 4 April 1981.

The eighth amendment was made on 2 August 1981.

The ninth amendment was made on 5 May 1985.

The tenth amendment was made on 19 June 1986.

The eleventh amendment was made on 30 June 1987.

The twelfth amendment was made on 15 August 1988.

The thirteenth amendment was made on 3 September 1989.

The fourteenth amendment was made on 17 October 1990.

The fifteenth amendment was made on 25 May 1991.

The sixteenth amendment was made on 27 June 1992.

The seventeenth amendment was made on 12 June 1993.

The eighteenth amendment was made on 14 May 1994.

The nineteenth amendment was made on 12 August 1994.

The twentieth amendment was made on 17 May 1995.

The twenty-first amendment was made on 10 June 1995.

The twenty-second amendment was made on 2 March 1996.

The twenty-third amendment was made on 23 May 1997.

The twenty-fourth amendment was made on 4 November 1997.

The twenty-fifth amendment was made on 29 May 1998.

The twenty-sixth amendment was made on 24 May 1999.

The twenty-seventh amendment was made on 22 June 2000.

The twenty-eighth amendment was made on 5 June 2002.

The twenty-ninth amendment was made on 16 June 2005.

The thirtieth amendment was made on 15 June 2006.

The thirty-first amendment was made on 4 June 2010.

The thirty-second amendment was made on 30 June 2011.

The thirty-third amendment was made on 14 June 2012.

The thirty-fourth amendment was made on 24 June 2013.

The thirty-fifth amendment was made on 28 April 2015.

The thirty-sixth amendment was made on 16 December 2015.

The thirty-seventh amendment was made on 4 May 2016.

The thirty- eighth amendment was made on 14 June 2023.

### Appendix 3

SUNKO INK CO., LTD		Document Number	A-OR-21	Page:	1/3
Document Name	The procedure of Director election	Version	5	Approval by: Board of Director	
IPO	2010/06/04	Operating Date	2021/06/10		

Article 1: Fair, impartial, and open election of directors. This procedure is formulated in accordance with Article 21 and 14 of the Code of practice for the Governance of Listed Companies

Article 2: The selection and appointment of directors of the company shall be handled in accordance with these procedures, unless otherwise stipulated by laws and regulations. Article 3: The election of directors of the company shall adopt the candidate nomination system in accordance with the articles of association and article192-1 of the company law, and the shareholder shall elect the candidate from the list of candidates from the list of candidates after the company’s announcement.

Article 3: The election of directors of the company shall adopt the candidate nomination system in accordance with the articles of association and article192-1 of the company law, and the shareholder shall elect the candidate from the list of candidates from the list of candidates after the company’s announcement.

Article 4: The qualifications of the independent directors of the company shall comply with the provisions of Article2,3 and 4 of the Regulations on the Establishment and Compliance of independent companies for public offering companies. The selection and appointment of independent directors of the company shall comply with the provisions of Articles5, 6,7,8 and 9 of the regulations on the establishment of independent directors of public offering companies and matters to be followed and shall be based on article 24 of the code of practice for corporate governance.

SUNKO INK CO., LTD		Document Number	A-OR-21	Page:	2/3
Document Name	The procedure of Director election	Version	5	Approval by: Board of Director	
IPO	2010/06/04	Operating Date	2021/06/10		

Article 5: if the directors of the company are dismissed due to reasons, and the number of directors is less than 5, the company shall by-elect at the latest shareholders' meeting. However, if the vacancy of directors reaches one-third of the number of seats specified in the articles of association, the company shall hold a shareholders meeting within 60 days from the date of the occurrence of the by-election. If the number of independent directors is insufficient as specified in the proviso of paragraph 1 of article 14-2 of the securities and exchange act, a by-election shall be held at the latest shareholder's meeting when the independent directors are dismissed from office, a meeting shall be held withing 60 days from the date of the occurrence of the fact.

Article 6: The election of directors of the company shall adopt a cumulative voting system. Each share has the same voting rights as the number of persons to be elected. One person may be elected in a centralized manner, or several persons may be elected.

Article 7: The board of directors shall prepare ballot equal to the number of directors to be elected, fill in their weights, and distribute to shareholders attending the shareholders meeting. The name of the electors may be replaced by the attendance certificate number printed on the ballot.

Article 8: The number of directors of this company shall be calculated according to the number of independent directors and non-independent directors shall be calculated respectively. At the time of the election, the vote shall be decided by the votes of those who have the same number of votes. Those who don't attend shall be drawn by lot on behalf of the chairman.

Article 9: Before the election, the chairman shall designate a scrutineers with the status of a shareholder. The ballot boxes are prepared by the board of directors and open for inspection by the scrutineers before voting. The elector shall fill in the name of the electee and the shareholder Account number or identification document number in the elected person column of the ballot. However, when the government or legal person and the name of its representative: when there are several representative, the name of the representative should be added separately.

SUNKO INK CO., LTD		Document Number	A-OR-21	Page:	3/3
Document Name	The procedure of Director election	Version	5	Approval by: Board of Director	
IPO	2010/06/04	Operating Date	2021/06/10		

Article 10: Ballots shall be invalid if one of the following circumstance occurs: 1. Ballots prepared by the person with the right to convene are not used 2. Blank ballots are put into the ballot box 3. The handwriting is blurred and unrecognizable or has been altered 4. The list of candidates filled in is not consistent with the list of director candidates after checking 5. in addition to filling in the number of voting rights allocated, other words are included

Article 11: After the voting is completed, the ballots shall be counted on the spot, and the counting of votes shall be monitored by the scrutineer. The results of the counting of ballots shall be announced by the chairman on the spot, including the list of directors elected and their right to be elected. The ballots for the election matters referred to in the preceding paragraph shall be sealed and signed by the scrutineer for safekeeping and kept for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the company Law, it shall be kept until the lawsuit is concluded.

Article 12: The elected directors shall be notified by the board of directors of the company.

Article 13: This procedure shall be implemented after the approval of the shareholders' meeting, and the same shall apply to amendments. The first amendment was passed on /04/06/2010 The second amendment was passed 14/06/2012 The third amendment was passed by the ordinary shareholders meeting on 28/04/2015 The fourth amendment was passed on 04/05/2016 The fifth amendment was passed by the extraordinary shareholders meeting on 10/06/2021

**Appendix 4****SUNKO INK CO., LTD****Shareholdings of All Directors**

As of 13 April 2025

Title	Name	Number of Shares Held	Shareholding (%)
Chairman	KT Investment Company, Limited	10,810,010	5.84%
Director	Chiaoli Investment Company, Limited	6,503,902	3.52%
Independent Director	LI, SHIH-JEN	0	0.00%
Independent Director	TSOU, YEN-CHUNG	0	0.00%
Independent Director	LIN, YEN-TING	0	0.00%
Shareholdings of all directors		17,313,912	9.36%

## Note:

The number of shares legally required to be held by all directors: 11,093,045 shares.

The number of shares legally required to be held (as of 13 April 2025) by all Directors: 17,313,912 shares

The percentage of shareholding of all directors, other than three independent directors, shall be decreased to 80%.