

Stock code: 8069



**E INK HOLDINGS INC.**

**2025  
Annual General Meeting of Stockholders  
MEETING MINUTES**

**Date of meeting: May 28, 2025**

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

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

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

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

**E Ink Holdings Inc.**  
**2025 Annual General Meeting**  
**Meeting Minutes**

Time: Wednesday, May 28, 2025, at 9:30 AM

Venue: The Company's 1st Floor Conference Room, Building A  
(No. 3, Lixing 1st Road, Hsinchu Science Park, Hsinchu City)

Form of meeting: Visual communication assisted shareholders meeting

Shareholders Present:

The total number of voting shares held by all attending shareholders and proxy agents is 1,048,857,592 shares (including 792,512,459 shares voted electronically), accounting for 91.21% of the total voting shares of the company's issued shares, which is 1,149,894,157 shares.

Board Members Present:

Johnson Lee, FY Gan, Luke Chen, Sylvia Cheng, Po-Young Chu(Audit Committee Convenor), Huey-Jen Su, Chang-Mou Yang; total 7 members present.

Attendees:

Lloyd Chen(CFO), Chong-He Song (Chung - Ho International Law Office), Hui-Min Huang (CPA of Deloitte & Touche); total 3 attendees present.

Chairman: Johnson Lee

Recorder: Doris Huang

Meeting Procedure:

1. Meeting Declaration: The total number of shares present has reached the legal quorum, and the Chairman declares the meeting open.

2. Chairman Remarks (Omitted)

3. Report Items:

- (1) 2024 Business Report and Financial Statements. (Noted)
- (2) Audit Committee's Review Report on the 2024 Financial Statements. (Noted)
- (3) Report on the Distribution of Employee and Director Compensation for 2024. (Noted)
- (4) Report on the Distribution of Cash Dividends from 2024 Earnings. (Noted)

#### 4. Adoption Items:

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

Subject: Adoption of the 2024 Business Report and Financial Statements.

Explanation:

- (1) The Company's standalone and consolidated financial statements for 2024 have been audited and completed by the CPA.
- (2) The aforementioned standalone and consolidated financial statements, along with the Company's 2024 Business Report, have been published in Appendices 1–2.
- (3) Please kindly acknowledge.

Resolution:

This proposal was voted on, and the results are as follows: the voting rights in favor account for 93.71% of the voting rights present at the time of the vote. The proposal was approved as originally proposed

Items	Total votes	Approval votes	Disapproval votes	Invalid votes	Abstention votes /No votes
Voting rights	1,048,857,592	982,881,669	379,298	0	65,596,625
%	100%	93.71%	0.04%	0.00%	6.25%

Note: The above voting rights include voting rights exercised through electronic voting.

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

Subject: Adoption of the Proposal for Distribution of 2024 Profits.

Explanation:

- (1) The Company's beginning retained earnings amounted to NT\$10,665,361,843. Adjustments were made for the equity method investment, increasing retained earnings by NT\$309,239,866, and for the remeasurement of the defined benefit plan, which increased retained earnings by NT\$3,806,198. Adding the Company's 2024 after-tax net profit of NT\$8,867,482,368 and allocating the legal reserve of NT\$918,052,843, the total distributable earnings amount to NT\$18,927,837,432.
- (2) The profit distribution table for the year 2024 is attached as Appendix 4.
- (3) Please kindly acknowledge.

Resolution:

This proposal was voted on, and the results are as follows: the voting rights in favor account for 93.99% of the voting rights present at the time of the vote. The proposal was approved as originally proposed.

Items	Total votes	Approval votes	Disapproval votes	Invalid votes	Abstention votes /No votes
Voting rights	1,048,857,592	985,859,656	37,238	0	62,960,698
%	100%	93.99%	0.00%	0.00%	6.00%

Note: The above voting rights include voting rights exercised through electronic voting.

## 5. Discussion Items

[Motion 1]

(Proposed by the board of directors)

Subject: Proposed Amendments to Certain Articles of the Company's Articles of Incorporation.

Explanation:

- (1) In accordance with Article 14, Paragraph 6 of the Securities and Exchange Act, the Company shall specify in its Articles of Incorporation the allocation of a certain percentage of annual earnings for the adjustment of salaries or the distribution of compensation to grassroots employees. This amendment is made to comply with legislative revisions, hence the proposed amendments to certain articles of the Company's Articles of Incorporation.
- (2) Please refer to Appendix 5 for a comparison table of the proposed amendments to the Company's Articles of Incorporation.
- (3) Please kindly resolve.

Resolution:

This proposal was voted on, and the results are as follows: the voting rights in favor account for 93.99% of the voting rights present at the time of the vote. The proposal was approved as originally proposed.

Items	Total votes	Approval votes	Disapproval votes	Invalid votes	Abstention votes /No votes
Voting rights	1,048,857,592	985,857,380	19,386	0	62,980,826
%	100%	93.99%	0.00%	0.00%	6.00%

Note: The above voting rights include voting rights exercised through electronic voting.

6. Questions and Motions: None.

7. Adjournment: The meeting was adjourned at 09:57 AM on the same day.

**(No shareholders raised any questions regarding the reports, adoption Items, and discussion items at this shareholders' meeting.)**

## Appendix 1

### Business Report

To all shareholders:

#### 2024 Business Report

In 2024, the global economy faces significant challenges due to escalating geopolitical tensions, trade policy adjustments, supply chain restructuring, persistent inflationary pressures, and frequent extreme weather events. These factors collectively impact the stability of economic growth.

Despite the volatile external environment, E Ink's management team and all employees have worked diligently together, achieving the highest annual revenue since focusing on the ePaper business in 2016. In 2024, E Ink's consolidated revenue reached NT\$32.163 billion, with an operating margin of 23.7%, profit margin of 27.6%, net income of NT\$8.867 billion, and EPS of NT\$7.75. Both revenue and net income grew compared to 2023, setting a new second-highest record in the company's history.

We extend our special thanks to our shareholders and board of directors for their trust and support, to all employees for their hard work, and to our ecosystem partners for their strong assistance. This is an important driving force for us to continue moving forward and creating value.

#### Business and Operations Review

Despite the volatile external environment, E Ink remains steadfast in its commitment to the sustainable development of low-carbon ePaper. The company continues to launch innovative technologies and application products, achieving its core goal of "pursuing profits and sustainability in tandem."

- **Consumer Electronics (CE) Applications:** Color ePaper technology has been successfully applied to eReaders and eNotes, entering mass production with several global brand customers adopting it. These new products not only achieve a color upgrade but also introduce larger-sized models to meet consumer demands for color presentation and screen size. This has driven a wave of device upgrades, significantly boosting growth in the consumer electronics market.
- **IoT Applications:** The transition to Electronic Shelf Label (ESL) technology has been successfully completed. Although growth momentum was impacted in the first half of the year due to product transitions and customer inventory adjustments, it gradually stabilized later. The development of Variable Color ePaper (E Ink Prism™) technology has brought diverse and innovative applications to the market. Additionally, large-sized ePaper Signage offers an ultra-low carbon dynamic signage solution that can replace traditional paper posters, attracting significant market attention as a potential application.

#### Enhancing Eye Health Awareness and Promoting Innovative Applications

A study published by the Harvard School of Public Health on the effects of blue light on the eyes indicates that ePaper devices without front light do not emit blue light, thus causing no pressure on the retina. Compared to TFT-LCD screens, ePaper is three times healthier for the eyes. To raise public awareness of eye health, E Ink

launched the "Healthier Screen Time" initiative. This includes creating a website to introduce information about eye health and collaborating with ophthalmology groups to promote awareness through media platforms. Additionally, ePaper Signage has been implemented in medical institutions and eye clinics, effectively conveying eye health information to the public while leveraging the advantages of ePaper displays to enhance patients' consultation environments.

In terms of innovative applications and technology development, E Ink has received numerous accolades:

- E Ink Spectra 6 Plus color ePaper awarded the 2024 Smart Display Industrial Alliance (SDIA) Award-Silver Award.
- E Ink Spectra™ 6 color ePaper received the Display of the Year Award at SID Display Week 2024.
- E Ink Spectra™ 6 Plus color ePaper display awarded the 2024 Gold Panel Award- Best Product Award.
- The medical care eNote awarded Smart Display Application Awards (SDAA)- Smart Healthcare Award.

### **Commitment to Sustainable Development and Creating Long-Term Value**

E Ink is committed to the core goal of "profit and sustainability being equally important," demonstrating its long-term commitment to shareholders and stakeholders. The company focuses on the research and promotion of ePaper products that are "born for environmental sustainability," while comprehensively considering short-, medium-, and long-term sustainability risks and opportunities in both internal and external environments, conducting thorough planning and governance. E Ink is also dedicated to the well-being of employees and their families, achieving mutual prosperity with value chain partners, and actively giving back to society to fulfill its corporate social responsibility, aiming to play its role as a global citizen in creating a sustainable future.

In the latest Dow Jones Sustainability Index (DJSI), E Ink has been included as a constituent of both the Dow Jones Sustainability World Index (DJSI-World) and the Dow Jones Sustainability Emerging Markets Index (DJSI-Emerging Markets) for the third consecutive year. According to the S&P Global Corporate Sustainability Assessment (CSA) results, E Ink achieved an outstanding score of 92 points, ranking the highest in the global electronic equipment, instruments and components industry index for two consecutive years. This score is a 3-point improvement from 2023, setting a new historical high for the industry. As a result, E Ink is recognized as top 1% of global companies in the 2024 The Sustainability Yearbook.

E Ink is committed to providing energy-efficient and low-carbon ePaper products, with FTSE Russell's green revenue model indicating that 99% of our product sales are classified as green revenue. The credit rating agency, Moody's, has rated E Ink's Sustainability Quality Score as Very Good (SQS2) for its significant contributions to sustainability. Additionally, it confirmed that E Ink's energy-efficient and low-carbon ePaper products comply with the EU Taxonomy, making a substantial contribution to climate change mitigation.

Furthermore, E Ink has achieved leadership level in both Climate Change and Water Security reports by the global environmental disclosure organization CDP. Notably, Climate Change earned the top rating of A List, recognizing E Ink's concrete actions and active engagement in critical environmental issues such as climate governance, carbon management, and water resource management.

To actively respond to global climate change, E Ink set ambitious goals at the end of 2021: to achieve 100% renewable energy (RE100) by 2030 and reach net-zero carbon emissions by 2040. By the end of 2024, E Ink has already achieved RE58, meaning that 58% of its electricity consumption comes from renewable energy, significantly ahead of its original plan to reach RE30 by 2024.

Outside of Taiwan, all of E Ink's global locations have achieved RE100, utilizing 100% renewable energy. In Hsinchu and Linkou, the adoption rate of renewable energy continues to rise, currently exceeding RE20. With the accelerated adoption of renewable energy, E Ink has raised its target for renewable energy adoption by the end of 2025 to RE65, aiming to achieve RE100 across all global locations as soon as possible.

Due to E Ink's proactive use of renewable energy and implementation of related carbon reduction measures, carbon emissions in 2024 were reduced by 52% compared to scenarios without carbon reduction measures and decreased by 40% compared to the baseline year of 2021.

In waste reduction efforts, E Ink's Yangzhou and the Linkou plants passed UL2799 Zero Waste to Landfill certification at the gold and platinum level in November 2024 and January 2025, respectively. The Hsinchu plant in Taiwan is also expected to obtain platinum level certification in the first quarter of 2025.

E Ink is committed to manufacturing transformation by replacing outdated, energy-consuming equipment and optimizing process parameters while enhancing energy management through the implementation of ISO 50001 Energy Management System. By 2024, energy productivity nearly doubled compared to the baseline year of 2018, maintaining its EP100 commitment.

In terms of green procurement, E Ink passed the ISO 20400 Sustainable Procurement Guidance performance assessment in 2024 and received "Advanced" level certification, showcasing excellence in promoting sustainable procurement and supply chain responsibility.

At the same time, E Ink has also obtained ISO 37001 Anti-Bribery Management System certification, becoming the first company in the display industry to receive this certification. This demonstrates the company's strong commitment to integrity in business operations and sustainable development. Through implementing ISO 37001 Anti-Bribery Management System, E Ink can strengthen internal and external risk management capabilities and auditing mechanisms while enhancing operational efficiency and effectively reducing legal and reputational risks.

In addition, E Ink is dedicated to technological innovation and sustainable practices, receiving numerous accolades:

- Awarded the 6th Presidential Innovation Award, the highest national honor for innovation.
- Ranked on the "Best Taiwan Global Brands" list with a brand value of US\$105 million.
- Honored with the CommonWealth Excellence in Corporate Social Responsibility Award, ranking 5th in the manufacturing sector.
- Recognized again with the Global Views Monthly ESG Award.
- Honored with the Taiwan Corporate Sustainability Award (TCSA ) for Comprehensive Performance, ranking among Taiwan's Top 10 Sustainable Exemplary Enterprises.

- Achieved five major awards at the Taiwan Corporate Sustainability Awards (TCSA) and made its first appearance in the Global Corporate Sustainability Awards (GCSA).
- Received four Gold Awards at the Taiwan Sustainable Action Awards (TSAA) and Asia-Pacific Sustainable Action Awards (APSAA).
- Achieved five Gold Awards at the Asian Sustainability Reporting Awards (ASRA).
- First awarded AAA rating in the SEED Taiwan Sustainability Evaluation.

In its investment in natural and biological diversity, E Ink has been listed among the first wave of TNFD pioneers in 2024 (or earlier). E Ink is actively committed to disclosing corporate natural risks and strategies and has joined several nature-related initiatives. The first Nature and Climate Report was published in 2024, supporting ecological restoration and promoting environmentally friendly practices.

## **2025 Business Focus**

2025 marks a milestone for E Ink's officially development of large-size ePaper, heralded as the "First Year of Large-Size ePaper." Since its establishment in 1992, E Ink has consistently focused on the research and manufacturing of small-size displays. Now, entering the large-size ePaper domain presents new challenges, including quality standards for new large-size displays, large-scale production criteria, and a complete transformation of market strategy.

Successfully advancing the development of large-size ePaper will significantly enhance E Ink's revenue and profitability, propelling the company toward its goal of becoming a world-class display enterprise. We firmly believe that overcoming these challenges will yield fruitful results, elevating E Ink's operational performance to new heights.

In the medium-size ePaper sector, E Ink will continue to deepen the technological development of eReaders and eNotes, including enhancements in color performance and display speed to meet customer demands. Simultaneously, E Ink will continuously optimize cost competitiveness, aiming for medium-size ePaper to compete with LCDs on cost in the future.

In the electronic shelf labels (ESL) segment, E Ink not only launches higher-quality products but also continually optimizes costs to help retailers reduce the total cost ownership (TCO) for electronic shelf labels (ESL). Through these efforts, we expect to further promote the widespread adoption of electronic shelf labels (ESL) in the global market.

## **Technology Development**

E Ink continues to focus on developing ePaper display technology, vertical integration, and ecosystem partner technologies. In addition to enhancing color display effects, faster page-turning and display speeds, larger sizes, and outdoor applications on ePaper, we are also concentrating on low-energy consumption designs and carbon footprints reduction. Furthermore, we are developing relevant materials for vertically integrated applications of ePaper products and collaborating with ecosystem partners to explore and develop next-generation advanced technologies, accumulating momentum for long-term development.



**Operations Management**

To accommodate future operational growth, E Ink is continuously expanding capacity and optimizing processes. The new office and factory building in Hsinchu has officially commenced operations, with new production lines focused on capacity for large-size products and related materials. We are committed to enhancing production efficiency for ePaper while ensuring stable quality supply and improving cost competitiveness. Additionally, to deepen and strengthen operational capabilities, the company is continuously refining its foundational management systems towards production automation and intelligence while integrating global resource allocation to drive continuous improvement in operational efficiency and effectiveness.

**Outlook**

E Ink's ePaper products "born for environmental sustainability" have become a key technology in constructing display interfaces of net-zero city. Regardless of social, economic, or political changes, E Ink is committed to challenging itself to overcome existing and potential difficulties while continuously promoting ePaper technology. We aim to embrace market opportunities, achieve steady growth, and actively give back to society.

Currently, most of the world's largest and highest-valued display companies primarily focus on large-size products with small-size ones as a supplement. E Ink is also striving in this direction by continually expanding its ePaper ecosystem and accelerating applications in reading, education, retail, signage, transportation, logistics, and other fields to create a new sustainable future. We Make Surfaces Smart and Green.

## **Appendix 2**

### **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
E Ink Holdings Inc.

#### **Opinion**

We have audited the accompanying consolidated financial statements of E Ink Holdings Inc. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

#### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matter**

Key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2024 is stated as follows:

**Authenticity of Sales Revenue - Recognition of Sales Revenue from  
Internet of Things Applications Products**

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The Group mainly sells e-paper products such as Internet of Things applications and consumer electronics. The Group's sales revenue is affected by changes in market demand, with the risk of occurrence in sales revenue transactions of high gross profit Internet of Things applications. Rapid changes in terminal market demand result in significant fluctuations in the revenue of Internet of Things applications products. This is of significant importance for the overall financial statements. Therefore, the authenticity of such sales revenue was identified as a key audit matter.

Our key audit procedures performed with respect to the above area included the following:

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

**Other Matter**

We have also audited only the financial statements of E Ink Holdings Inc. as of and for the years ended December 31, 2024 and 2023, on which we have issued an unmodified opinion.

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of 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 maintain professional skepticism throughout the audit. We also:

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

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

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

From the matters communicated with those charged with governance, we determine a matter that was of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024, and is therefore the key audit matter. We describe this matter in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Hui-Min Huang and Ya-Ling Wong.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

February 21, 2025

#### Notice to Readers

*The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance 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 applied in the Republic of China.*

*For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.*

# E INK HOLDINGS INC. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CURRENT ASSETS (Note 4)				
Cash and cash equivalents (Note 6)	\$ 13,206,169	14	\$ 9,687,937	13
Financial assets at fair value through profit or loss (Note 7)	2,874,845	3	1,888,265	3
Financial assets at fair value through other comprehensive income (Notes 8 and 11)	1,346,073	1	267,502	-
Financial assets at amortized cost (Notes 9, 11 and 32)	7,016,883	8	8,266,473	11
Contract assets (Note 23)	5,056	-	15,883	-
Accounts receivable (Notes 10, 23 and 31)	4,757,678	5	2,717,486	4
Other receivables (Note 31)	510,468	1	469,887	1
Inventories (Note 12)	3,521,775	4	2,851,650	4
Prepayments (Note 31)	635,352	1	335,578	-
Other current assets (Note 25)	29,244	-	15,029	-
Total current assets	33,903,543	37	26,515,690	36
NON-CURRENT ASSETS (Note 4)				
Financial assets at fair value through profit or loss (Notes 7 and 31)	3,630,058	4	2,749,468	4
Financial assets at fair value through other comprehensive income (Notes 8, 11 and 31)	30,258,211	33	22,601,622	30
Financial assets at amortized cost (Notes 9, 11 and 32)	747,204	1	2,175,413	3
Investments accounted for using the equity method (Note 15)	356,072	1	1,307,285	2
Property, plant and equipment (Notes 16, 28 and 31)	11,176,505	12	9,149,833	12
Right-of-use assets (Notes 17 and 31)	988,579	1	1,049,987	1
Goodwill (Note 18)	7,566,421	8	7,134,748	9
Other intangible assets (Note 18)	418,573	1	472,709	1
Deferred tax assets (Note 25)	1,981,099	2	1,203,325	2
Other non-current assets (Note 31)	125,479	-	96,153	-
Total non-current assets	57,248,201	63	47,940,543	64
TOTAL	\$ 91,151,744	100	\$ 74,456,233	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES (Note 4)				
Short-term borrowings (Notes 19 and 32)	\$ 7,270,000	8	\$ 4,350,437	6
Short-term bills payable (Note 19)	4,298,558	5	4,965,853	7
Financial liabilities at fair value through profit or loss (Note 7)	457,611	-	622	-
Contract liabilities (Note 23)	513,901	1	630,179	1
Notes and accounts payable (Note 31)	3,501,424	4	2,544,280	3
Other payables (Notes 20, 28 and 31)	3,616,616	4	2,753,862	4
Current tax liabilities (Note 25)	2,241,382	2	1,385,091	2
Long-term borrowings - current portion (Note 19)	494,386	1	-	-
Other current liabilities (Notes 17 and 31)	464,528	-	403,519	-
Total current liabilities	22,858,406	25	17,033,843	23
NON-CURRENT LIABILITIES (Note 4)				
Long-term borrowings (Note 19)	7,727,004	9	5,621,615	7
Deferred tax liabilities (Note 25)	1,822,108	2	1,178,834	2
Lease liabilities (Notes 17 and 31)	955,725	1	1,013,776	1
Net defined benefit liabilities (Note 21)	29,374	-	30,431	-
Other non-current liabilities (Note 31)	17,296	-	29,262	-
Total non-current liabilities	10,551,507	12	7,873,918	10
Total liabilities	33,409,913	37	24,907,761	33
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4, 22 and 27)				
Share capital	11,459,163	12	11,411,033	15
Advance receipts for share capital	152,064	-	87,141	-
Capital surplus	10,970,780	12	10,878,525	15
Retained earnings	24,736,387	27	20,696,630	28
Other equity	9,734,096	11	5,834,492	8
Total equity attributable to owners of the Company	57,052,490	62	48,907,821	66
NON-CONTROLLING INTERESTS (Note 22)	689,341	1	640,651	1
Total equity	57,741,831	63	49,548,472	67
TOTAL	\$ 91,151,744	100	\$ 74,456,233	100

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

# E INK HOLDINGS INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 23 and 31)	\$ 32,163,133	100	\$ 27,119,755	100
OPERATING COSTS (Notes 12, 24 and 31)	<u>16,198,461</u>	<u>50</u>	<u>12,663,275</u>	<u>47</u>
GROSS PROFIT	<u>15,964,672</u>	<u>50</u>	<u>14,456,480</u>	<u>53</u>
OPERATING EXPENSES (Notes 24 and 31)				
Selling and marketing expenses	942,641	3	886,538	3
General and administrative expenses	3,052,322	9	2,637,617	10
Research and development expenses	<u>4,350,925</u>	<u>14</u>	<u>3,646,848</u>	<u>13</u>
Total operating expenses	<u>8,345,888</u>	<u>26</u>	<u>7,171,003</u>	<u>26</u>
INCOME FROM OPERATIONS	<u>7,618,784</u>	<u>24</u>	<u>7,285,477</u>	<u>27</u>
NON-OPERATING INCOME AND EXPENSES				
Share of loss of associates (Note 15)	(39,332)	-	(140,802)	(1)
Interest income (Notes 24 and 31)	1,507,196	5	1,127,327	4
Royalty income (Notes 4 and 23)	494,292	1	538,923	2
Dividend income	684,359	2	535,274	2
Other income (Notes 13, 24 and 31)	114,394	-	136,653	1
Net gain (loss) on disposal of property, plant and equipment (Note 31)	2,588	-	(10,172)	-
Net gain on foreign currency exchange (Note 34)	1,168,200	4	127,398	-
Interest expenses (Notes 16 and 31)	(344,410)	(1)	(278,508)	(1)
Other expenses	(55,542)	-	(46,194)	-
Net loss on disposal of investments (Note 15)	(116,025)	-	-	-
Net (loss) gain on fair value change of financial assets and liabilities at fair value through profit or loss	<u>(155,565)</u>	<u>(1)</u>	<u>548,932</u>	<u>2</u>
Total non-operating income and expenses	<u>3,260,155</u>	<u>10</u>	<u>2,538,831</u>	<u>9</u>
INCOME BEFORE INCOME TAX	10,878,939	34	9,824,308	36
INCOME TAX EXPENSE (Notes 4 and 25)	<u>(1,956,476)</u>	<u>(6)</u>	<u>(1,958,082)</u>	<u>(7)</u>
NET INCOME FOR THE YEAR	<u>8,922,463</u>	<u>28</u>	<u>7,866,226</u>	<u>29</u>

(Continued)

# E INK HOLDINGS INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
(Note 4)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 21)	\$ (670)	-	\$ (17,639)	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	4,147,667	13	3,095,738	11
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 25)	<u>(589,366)</u>	<u>(2)</u>	<u>(390,049)</u>	<u>(1)</u>
	<u>3,557,631</u>	<u>11</u>	<u>2,688,050</u>	<u>10</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	659,517	2	(471,441)	(2)
Unrealized gain (loss) on investments in debt instruments at fair value through other comprehensive income	(84,944)	-	112,678	1
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method (Note 15)	37,359	-	20,174	-
Income tax related to items that may be reclassified subsequently to profit or loss (Note 25)	<u>(4,134)</u>	<u>-</u>	<u>(23,258)</u>	<u>-</u>
	<u>607,798</u>	<u>2</u>	<u>(361,847)</u>	<u>(1)</u>
Other comprehensive income for the period, net of income tax	<u>4,165,429</u>	<u>13</u>	<u>2,326,203</u>	<u>9</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 13,087,892</u>	<u>41</u>	<u>\$ 10,192,429</u>	<u>38</u>
NET INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 8,867,482	28	\$ 7,814,326	29
Non-controlling interests	<u>54,981</u>	<u>-</u>	<u>51,900</u>	<u>-</u>
	<u>\$ 8,922,463</u>	<u>28</u>	<u>\$ 7,866,226</u>	<u>29</u>

(Continued)



## E INK HOLDINGS INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

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

	2024		2023	
	Amount	%	Amount	%
TOTAL COMPREHENSIVE INCOME				
ATTRIBUTABLE TO:				
Owners of the Company	\$ 13,039,202	41	\$ 10,139,003	38
Non-controlling interests	<u>48,690</u>	<u>-</u>	<u>53,426</u>	<u>-</u>
	<u>\$ 13,087,892</u>	<u>41</u>	<u>\$ 10,192,429</u>	<u>38</u>
EARNINGS PER SHARE (Note 26)				
Basic	<u>\$ 7.75</u>		<u>\$ 6.85</u>	
Diluted	<u>\$ 7.67</u>		<u>\$ 6.78</u>	

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

(Concluded)

E INK HOLDINGS INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023  
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company											Non-controlling Interests	Total Equity
									Other Equity				
	Share Capital			Retained Earnings					Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at FVTOCI			
	Shares (In Thousands)	Amount	Advance Receipts for Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total			Total		
BALANCE AT JANUARY 1, 2023	1,140,405	\$ 11,404,047	\$ -	\$ 10,748,007	\$ 2,972,064	\$ 70,678	\$ 14,780,047	\$ 17,822,789	\$ (752,482)	\$ 4,464,627	\$ 43,686,988	\$ 576,216	\$ 44,263,204
Appropriation of 2022 earnings													
Legal reserve	-	-	-	-	1,047,188	-	(1,047,188)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	(5,131,821)	(5,131,821)	-	-	(5,131,821)	-	(5,131,821)
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	-	5,208	-	-	-	-	-	-	5,208	-	5,208
Other changes in capital surplus	-	-	-	14	-	-	-	-	-	-	14	-	14
Net income for the year ended December 31, 2023	-	-	-	-	-	-	7,814,326	7,814,326	-	-	7,814,326	51,900	7,866,226
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	-	-	(14,420)	(14,420)	(437,005)	2,776,102	2,324,677	1,526	2,326,203
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	-	7,799,906	7,799,906	(437,005)	2,776,102	10,139,003	53,426	10,192,429
Actual acquisition of partial interests in subsidiaries	-	-	-	-	-	-	(10,994)	(10,994)	-	-	(10,994)	10,994	-
Share-based payments	-	-	-	80,488	-	-	-	-	-	-	80,488	15	80,503
Exercise of employee share options	698	6,986	87,141	44,808	-	-	-	-	-	-	138,935	-	138,935
Disposal of investments in equity instruments designated as at FVTOCI	-	-	-	-	-	-	216,750	216,750	-	(216,750)	-	-	-
BALANCE AT DECEMBER 31, 2023	1,141,103	11,411,033	87,141	10,878,525	4,019,252	70,678	16,606,700	20,696,630	(1,189,487)	7,023,979	48,907,821	640,651	49,548,472
Appropriation of 2023 earnings													
Legal reserve	-	-	-	-	800,566	-	(800,566)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	(5,140,772)	(5,140,772)	-	-	(5,140,772)	-	(5,140,772)
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	-	12,850	-	-	-	-	-	-	12,850	-	12,850
Other changes in capital surplus	-	-	-	34	-	-	-	-	-	-	34	-	34
Net income for the year ended December 31, 2024	-	-	-	-	-	-	8,867,482	8,867,482	-	-	8,867,482	54,981	8,922,463
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	-	(1,335)	(1,335)	735,626	3,437,429	4,171,720	(6,291)	4,165,429
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	-	8,866,147	8,866,147	735,626	3,437,429	13,039,202	48,690	13,087,892
Disposal of investments accounted for using equity method	-	-	-	(256,797)	-	-	-	-	40,931	-	(215,866)	-	(215,866)
Share-based payments	-	-	-	59,577	-	-	-	-	-	-	59,577	-	59,577
Exercise of employee share options	4,813	48,130	64,923	276,591	-	-	-	-	-	-	389,644	-	389,644
Disposal of investments in equity instruments designated as at FVTOCI	-	-	-	-	-	-	314,382	314,382	-	(314,382)	-	-	-
BALANCE AT DECEMBER 31, 2024	1,145,916	\$ 11,459,163	\$ 152,064	\$ 10,970,780	\$ 4,819,818	\$ 70,678	\$ 19,845,891	\$ 24,736,387	\$ (412,930)	\$ 10,147,026	\$ 57,052,490	\$ 689,341	\$ 57,741,831

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

# E INK HOLDINGS INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 10,878,939	\$ 9,824,308
Adjustments for		
Depreciation expenses	1,366,087	1,197,308
Amortization expenses	112,029	183,468
Expected credit loss recognized on accounts receivable	1,318	3,482
Net (gain) loss on fair value changes of financial assets and liabilities at fair value through profit or loss	155,565	(548,932)
Interest expenses	344,410	278,508
Interest income	(1,507,196)	(1,127,327)
Dividend income	(684,359)	(535,274)
Compensation costs of share-based payments	59,577	80,503
Share of loss of associates and joint ventures accounted for using the equity method	39,332	140,802
Net (gain) loss on disposal of property, plant and equipment	(2,588)	10,172
Net loss on disposal of intangible assets	289	272
Net loss on disposal of investments	116,025	-
Reversal of impairment loss	-	(108)
(Reversal of) write-downs of inventories	90,352	(128,868)
Net unrealized (gain) loss on foreign currency exchange	(568,634)	71,514
Gain on lease modification	-	(1)
Other revenue	(1,457)	(41,999)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	-	11,541
Contract assets	10,133	11,580
Accounts receivable	(1,817,479)	1,962,764
Other receivables	(44,573)	23,044
Inventories	(607,762)	1,674,507
Prepayments	(303,566)	151,993
Other current assets	(11,129)	2,300
Financial liabilities held for trading	(46,657)	(197,499)
Contract liabilities	(125,793)	191,360
Notes and accounts payable	715,382	619,682
Other payables	674,737	(449,631)
Other current liabilities	49,101	(24,161)
Net defined benefit liabilities	(4,861)	(93,755)
Cash generated from operations	8,887,222	13,291,553
Income tax paid	(1,781,066)	(2,665,119)
Net cash generated from operating activities	7,106,156	10,626,434

(Continued)

# E INK HOLDINGS INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income	\$ (5,557,467)	\$ (4,653,187)
Proceeds from sale of financial assets at fair value through other comprehensive income	1,586,151	1,583,377
Capital reduction and withdrawal of shares of financial assets at fair value through other comprehensive income	-	5,217
Acquisition of financial assets at amortized cost	(21,208,923)	(21,320,420)
Proceeds from disposal of financial assets at amortized cost	24,344,300	17,159,264
Acquisition of financial assets at fair value through profit or loss	(3,116,218)	(1,144,518)
Proceeds from sale of financial assets at fair value through profit or loss	1,331,571	876,177
Acquisition of property, plant and equipment	(2,885,629)	(2,442,789)
Proceeds from disposal of property, plant and equipment	34,246	9,171
Acquisition of other intangible assets	(22,928)	(16,792)
(Increase) decrease in other non-current assets	(19,884)	2,029
Interest received	1,567,978	1,043,933
Dividends received	<u>686,357</u>	<u>568,502</u>
Net cash used in investing activities	<u>(3,260,446)</u>	<u>(8,330,036)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase (decrease) in short-term borrowings	2,890,414	(188,042)
Increase (decrease) in short-term bills payable	(667,295)	4,311,321
Increase in long-term borrowings	2,599,775	20,387
Repayment of the principal portion of lease liabilities	(82,097)	(85,590)
Increase (decrease) in other non-current liabilities	(12,185)	16,193
Cash dividends	(5,140,772)	(5,131,821)
Proceeds from treasury shares transferred to employees	389,644	138,935
Interest paid	(331,251)	(285,966)
Regain overdue dividends	<u>34</u>	<u>14</u>
Net cash used in financing activities	<u>(353,733)</u>	<u>(1,204,569)</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES</b>	<u>26,255</u>	<u>(238,958)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	3,518,232	852,871
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<u>9,687,937</u>	<u>8,835,066</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u>\$ 13,206,169</u>	<u>\$ 9,687,937</u>

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

(Concluded)

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
E Ink Holdings Inc.

### **Opinion**

We have audited the accompanying parent company only financial statements of E Ink Holdings Inc. (the "Company"), which comprise the balance sheets as of December 31, 2024 and 2023, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matter**

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the financial statements for the year ended December 31, 2024. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

The key audit matter for the Company's financial statements for the year ended December 31, 2024 is stated as follows:

**Authenticity of Sales Revenue - Recognition of Sales Revenue from  
Internet of Things Applications Products**

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The Company mainly sells e-paper products such as Internet of Things applications and consumer electronics. The Company's sales revenue is affected by changes in market demand, with the risk of occurrence in sales revenue transactions of high gross profit Internet of Things applications. Rapid changes in terminal market demand result in significant fluctuations in the revenue of Internet of Things application products. This is of significant importance for the overall financial statements. Therefore, the authenticity of such sales revenue was identified as a key audit matter.

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

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

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

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

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine a matter that was of most significance in the audit of the financial statements for the year ended December 31, 2024, and is therefore the key audit matter. We describe this matter in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Hui-Min Huang and Ya-Ling Wong.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

February 21, 2025

Notice to Readers

*The accompanying financial statements are intended only to present the financial position, financial performance 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 financial statements are those generally applied in the Republic of China.*

*For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.*



# E INK HOLDINGS INC.

## PARENT COMPANY ONLY BALANCE SHEETS DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

ASSETS	2024		2023	
	Amount	%	Amount	%
CURRENT ASSETS (Note 4)				
Cash and cash equivalents (Note 6)	\$ 5,063,827	6	\$ 3,605,756	5
Financial assets at fair value through other comprehensive income (Notes 8, 11 and 26)	289,052	1	-	-
Financial assets measured at amortized cost (Notes 9 and 28)	35,106	-	3,508,315	5
Accounts receivable (Notes 10 and 19)	3,503,012	4	1,365,187	2
Accounts receivable from related parties (Notes 10, 19 and 27)	5,500,190	6	2,092,042	3
Other receivables from related parties (Note 27)	1,001,259	1	1,003,482	2
Inventories (Note 12)	2,857,773	3	2,341,921	3
Prepayments	241,240	-	157,221	-
Other current assets	86,163	-	76,526	-
Total current assets	18,577,622	21	14,150,450	20
NON-CURRENT ASSETS (Note 4)				
Financial assets at fair value through profit or loss (Note 7)	399,594	-	126,717	-
Financial assets at fair value through other comprehensive income (Notes 8, 11 and 27)	7,869,387	9	4,265,163	6
Investments accounted for using the equity method (Note 13)	54,316,867	62	47,347,707	66
Property, plant and equipment (Notes 14, 24 and 27)	5,030,095	6	4,249,215	6
Right-of-use assets (Notes 15 and 27)	792,327	1	844,935	1
Other intangible assets	150,345	-	162,025	-
Deferred tax assets (Note 21)	593,638	1	392,627	1
Other non-current assets (Notes 17 and 27)	16,670	-	16,752	-
Total non-current assets	69,168,923	79	57,405,141	80
TOTAL	\$ 87,746,545	100	\$ 71,555,591	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES (Note 4)				
Short-term borrowings (Note 16)	\$ 6,340,000	7	\$ 3,270,000	5
Short-term bills payable (Note 16)	3,347,498	4	4,226,224	6
Financial liabilities at fair value through profit or loss (Note 7)	214,510	-	-	-
Contract liabilities (Note 19)	370,840	-	473,083	1
Notes and accounts payable	2,054,117	2	1,498,047	2
Accounts payable to related parties (Note 27)	4,866,510	6	3,576,990	5
Other payables (Notes 24 and 27)	1,661,537	2	1,459,197	2
Current tax liabilities (Note 21)	1,382,116	2	836,351	1
Receipts in advance (Note 27)	869,391	1	401,503	1
Long-term borrowings - current portion (Note 16)	494,386	1	-	-
Other current liabilities (Notes 15 and 27)	374,450	-	326,708	-
Total current liabilities	21,975,355	25	16,068,103	23
NON-CURRENT LIABILITIES (Note 4)				
Long-term borrowings (Note 16)	7,727,004	9	5,621,615	8
Lease liabilities (Notes 15 and 27)	798,071	1	837,851	1
Net defined benefit liabilities (Note 17)	-	-	5,271	-
Other non-current liabilities (Notes 13, 21 and 27)	193,625	-	114,930	-
Total non-current liabilities	8,718,700	10	6,579,667	9
Total liabilities	30,694,055	35	22,647,770	32
EQUITY (Notes 18 and 23)				
Share capital	11,459,163	13	11,411,033	16
Advance receipts for share capital	152,064	-	87,141	-
Capital surplus	10,970,780	13	10,878,525	15
Retained earnings	24,736,387	28	20,696,630	29
Other equity	9,734,096	11	5,834,492	8
Total equity	57,052,490	65	48,907,821	68
TOTAL	\$ 87,746,545	100	\$ 71,555,591	100

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

# E INK HOLDINGS INC.

## PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 19 and 27)	\$ 21,527,009	100	\$ 19,815,440	100
OPERATING COSTS (Notes 12, 20 and 27)	<u>13,326,307</u>	<u>62</u>	<u>13,375,649</u>	<u>67</u>
GROSS PROFIT	<u>8,200,702</u>	<u>38</u>	<u>6,439,791</u>	<u>33</u>
OPERATING EXPENSES (Notes 20 and 27)				
Selling and marketing expenses	485,055	2	492,608	3
General and administrative expenses	1,116,297	5	1,033,968	5
Research and development expenses	<u>1,355,388</u>	<u>6</u>	<u>1,362,779</u>	<u>7</u>
Total operating expenses	<u>2,956,740</u>	<u>13</u>	<u>2,889,355</u>	<u>15</u>
INCOME FROM OPERATIONS	<u>5,243,962</u>	<u>25</u>	<u>3,550,436</u>	<u>18</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 20)	363,195	2	210,869	1
Royalty income (Notes 4 and 19)	224,674	1	211,190	1
Dividend income	166,955	1	141,597	1
Other income (Note 27)	65,912	-	83,726	-
Net gain (loss) on disposal of property, plant and equipment	184	-	(1,263)	-
Net gain on foreign currency exchange (Note 30)	491,842	2	49,274	-
Share of profit of subsidiaries and associates accounted for using the equity method	3,961,186	18	4,632,382	23
Interest expenses (Notes 14 and 27)	(283,075)	(1)	(150,976)	(1)
Other expenses	(28,111)	-	(20,685)	-
Net loss on fair value change of financial assets and liabilities at fair value through profit or loss	<u>(151,435)</u>	<u>(1)</u>	<u>(58,552)</u>	<u>-</u>
Total non-operating income and expenses	<u>4,811,327</u>	<u>22</u>	<u>5,097,562</u>	<u>25</u>
INCOME BEFORE INCOME TAX	10,055,289	47	8,647,998	43
INCOME TAX EXPENSE (Notes 4 and 21)	<u>(1,187,807)</u>	<u>(6)</u>	<u>(833,672)</u>	<u>(4)</u>
NET INCOME FOR THE YEAR	<u>8,867,482</u>	<u>41</u>	<u>7,814,326</u>	<u>39</u>

(Continued)

# E INK HOLDINGS INC.

## PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
(Note 4)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 17)	\$ 4,758	-	\$ (15,546)	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	500,732	3	692,668	4
Share of other comprehensive income of subsidiaries and associates accounted for using the equity method	3,621,207	17	2,459,774	12
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 21)	<u>(589,366)</u>	<u>(3)</u>	<u>(375,214)</u>	<u>(2)</u>
	<u>3,537,331</u>	<u>17</u>	<u>2,761,682</u>	<u>14</u>
Items that may be reclassified subsequently to profit or loss:				
Unrealized gain (loss) on investments in debt instruments at fair value through other comprehensive income	(97,103)	-	-	-
Share of other comprehensive income (loss) of subsidiaries and associates accounted for using the equity method	735,626	3	(437,005)	(2)
Income tax related to items that may be reclassified subsequently to profit or loss (Note 21)	<u>(4,134)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>634,389</u>	<u>3</u>	<u>(437,005)</u>	<u>(2)</u>
Other comprehensive income for the year, net of income tax	<u>4,171,720</u>	<u>20</u>	<u>2,324,677</u>	<u>12</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 13,039,202</u>	<u>61</u>	<u>\$ 10,139,003</u>	<u>51</u>
EARNINGS PER SHARE (Note 22)				
Basic	<u>\$ 7.75</u>		<u>\$ 6.85</u>	
Diluted	<u>\$ 7.67</u>		<u>\$ 6.78</u>	

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

E INK HOLDINGS INC.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023  
(In Thousands of New Taiwan Dollars)

	Share Capital				Retained Earnings				Other Equity		Total
	Shares (In Thousands)	Amount	Advance Receipts for Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at FVTOCI	
BALANCE AT JANUARY 1, 2023	1,140,405	\$ 11,404,047	\$ -	\$ 10,748,007	\$ 2,972,064	\$ 70,678	\$ 14,780,047	\$ 17,822,789	\$ (752,482)	\$ 4,464,627	\$ 43,686,988
Appropriation of 2022 earnings											
Legal reserve	-	-	-	-	1,047,188	-	(1,047,188)	-	-	-	-
Cash dividends	-	-	-	-	-	-	(5,131,821)	(5,131,821)	-	-	(5,131,821)
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	-	5,208	-	-	-	-	-	-	5,208
Other changes in capital surplus	-	-	-	14	-	-	-	-	-	-	14
Net income for the year ended December 31, 2023	-	-	-	-	-	-	7,814,326	7,814,326	-	-	7,814,326
Other comprehensive (loss) income for the year ended December 31, 2023, net of income tax	-	-	-	-	-	-	(14,420)	(14,420)	(437,005)	2,776,102	2,324,677
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	-	7,799,906	7,799,906	(437,005)	2,776,102	10,139,003
Actual acquisition of partial interests in subsidiaries	-	-	-	-	-	-	(10,994)	(10,994)	-	-	(10,994)
Share-based payments	-	-	-	80,488	-	-	-	-	-	-	80,488
Exercise of employee share options	698	6,986	87,141	44,808	-	-	-	-	-	-	138,935
Disposal of investments in equity instruments at FVTOCI	-	-	-	-	-	-	216,750	216,750	-	(216,750)	-
BALANCE AT DECEMBER 31, 2023	1,141,103	11,411,033	87,141	10,878,525	4,019,252	70,678	16,606,700	20,696,630	(1,189,487)	7,023,979	48,907,821
Appropriation of 2023 earnings											
Legal reserve	-	-	-	-	800,566	-	(800,566)	-	-	-	-
Cash dividends	-	-	-	-	-	-	(5,140,772)	(5,140,772)	-	-	(5,140,772)
Changes in capital surplus from investments in associates for using the equity method	-	-	-	12,850	-	-	-	-	-	-	12,850
Other changes in capital surplus	-	-	-	34	-	-	-	-	-	-	34
Net income for the year ended December 31, 2024	-	-	-	-	-	-	8,867,482	8,867,482	-	-	8,867,482
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	-	(1,335)	(1,335)	735,626	3,437,429	4,171,720
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	-	8,866,147	8,866,147	735,626	3,437,429	13,039,202
Disposal of investments accounted for using equity method	-	-	-	(256,797)	-	-	-	-	40,931	-	(215,866)
Share-based payments	-	-	-	59,577	-	-	-	-	-	-	59,577
Exercise of employee share options	4,813	48,130	64,923	276,591	-	-	-	-	-	-	389,644
Disposal of investments in equity instruments designated as at FVTOCI	-	-	-	-	-	-	314,382	314,382	-	(314,382)	-
BALANCE AT DECEMBER 31, 2024	1,145,916	\$ 11,459,163	\$ 152,064	\$ 10,970,780	\$ 4,819,818	\$ 70,678	\$ 19,845,891	\$ 24,736,387	\$ (412,930)	\$ 10,147,026	\$ 57,052,490

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

# E INK HOLDINGS INC.

## PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 10,055,289	\$ 8,647,998
Adjustments for		
Depreciation expenses	699,181	599,653
Amortization expenses	48,547	51,236
Expected credit loss recognized on accounts receivable	1,929	16
Net loss on fair value changes of financial assets and liabilities at fair value through profit or loss	151,435	58,552
Interest expenses	283,075	150,976
Interest income	(363,195)	(210,869)
Dividend income	(166,955)	(141,597)
Compensation costs of share-based payments	29,442	50,335
Share of profit of subsidiaries and associates accounted for using the equity method	(3,961,186)	(4,632,382)
Net (gain) loss on disposal of property, plant and equipment	(184)	1,263
Net loss on disposal of intangible assets	289	272
(Reversal of) write-downs of inventories	175,144	(94,314)
Net unrealized (gain) loss on foreign currency exchange	(202,622)	48,423
Gain on lease modifications	-	(1)
Royalty income	(224,674)	(211,190)
Changes in operating assets and liabilities		
Accounts receivable	(2,014,721)	1,687,933
Accounts receivable from related parties	(3,108,207)	1,094,958
Inventories	(690,996)	1,293,197
Prepayments	(46,251)	27,514
Other current assets	(15,963)	44,413
Financial liability held for trading	(5,020)	(39,868)
Contract liabilities	122,431	494,423
Notes and accounts payable	380,167	255,240
Accounts payable to related parties	1,080,878	(1,442,241)
Other payables	218,057	(82,180)
Receipts in advance	467,888	(617,315)
Other current liabilities	9,085	72,852
Net defined benefit liabilities	(5,014)	(100,429)
Cash generated from operations	2,917,849	7,006,868
Income tax paid	(775,440)	(1,151,316)
Net cash generated from operating activities	<u>2,142,409</u>	<u>5,855,552</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income	(3,451,607)	(178,365)
Proceeds from sale of financial assets at fair value through other comprehensive income	-	169,919
Acquisition of financial assets at amortized cost	(6,754,838)	(3,577,357)

(Continued)

## E INK HOLDINGS INC.

### PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023
Proceeds from disposal of financial assets at amortized cost	\$ 10,297,089	\$ 480,041
Acquisition of financial assets at fair value through profit or loss	(317,524)	(281,871)
Proceeds from sale of financial assets at fair value through profit or loss	112,742	144,163
Acquisition of property, plant and equipment	(1,432,053)	(1,270,088)
Proceeds from disposal of property, plant and equipment	29,565	-
Decrease (increase) in refundable deposits	4,723	(3,831)
Increase in other receivables from related parties	-	(1,000,000)
Acquisition of other intangible assets	(34,115)	(14,601)
Interest received	375,294	165,201
Dividends received	<u>760,486</u>	<u>820,932</u>
Net cash used in investing activities	<u>(410,238)</u>	<u>(4,545,857)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	3,070,000	1,470,000
Increase (decrease) in short-term bills payable	(878,726)	3,876,389
Increase in long-term borrowings	2,599,775	470,387
Repayment of the principal portion of lease liabilities	(36,075)	(43,901)
Increase (decrease) in other non-current liabilities	29	(1,294)
Cash dividends	(5,140,772)	(5,131,821)
Exercise of employee share options	389,644	138,935
Interest paid	(278,009)	(148,214)
Return of overdue uncollected dividends	<u>34</u>	<u>14</u>
Net cash generated from (used in) financing activities	<u>(274,100)</u>	<u>630,495</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,458,071	1,940,190
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>3,605,756</u>	<u>1,665,566</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 5,063,827</u>	<u>\$ 3,605,756</u>

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

## **Appendix 3**

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

The Board of Directors has presented the company's operating report, financial statements, and profit distribution proposal for 2024. The financial statements have been audited by Deloitte & Touche, and an audit report has been issued.

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

For  
2025 Annual General Meeting

E Ink Holdings Inc.

Audit Committee Convener: Po-Young Chu

Feb 21, 2025

## Appendix 4

### E Ink Holdings Inc.

#### Profit Distribution Table for the Year 2024

Unit:NTD

Item	Amount		Remarks
<b>Beginning retained earnings</b>		10,665,361,843	
Net profit after tax for the year	8,867,482,368		
Adjustment of retained earnings due to equity method investments	309,239,866		
Recognition of remeasured amounts for defined benefit plans in retained earnings	3,806,198		
<b>Amount of net profit after tax for the year, including items not included in net profit after tax for the year, added to undistributed earnings for the year</b>		9,180,528,432	
Provision for statutory surplus reserve (10%)		(918,052,843)	
<b>Distributable earnings for the year</b>		18,927,837,432	
Distribution items			
Cash dividends and bonuses to shareholders		(5,741,096,685)	NT\$5 per share
<b>Ending retained earnings</b>		13,186,740,747	

Chairman: Johnson Lee

Manager: FY Gan

Lloyd Chen

Accounting Officer: Chun-Ming Li



## Appendix 5

### **E Ink Holdings Inc. Articles of Incorporation**

(Revised Draft)

#### **Chapter 1 - General Provisions**

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

Article 2: Businesses of the Company include the following:

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

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

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

Article 4: The head office of the Company is located in Hsinchu Science Park. When necessary,

branches can be established at home and abroad with the resolution of the Board of Directors and the approval of competent authorities.

## **Chapter 2 - Shares**

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

The Board of Directors is authorized to issue the aforesaid shares over several issues.

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

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

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

Article 5-3: (Deleted)

Article 5-4: (Deleted)

Article 5-5: (Deleted)

Article 5-6: (Deleted)

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

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

## **Chapter 3 - Shareholders' meeting**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Article 16: Compensation may be paid to the directors no matter the Company gained profit or not. The Board of Directors shall be authorized to determine their compensation according to their participation in the operation of the Company and their contribution in reference to

the amounts paid by peers; when the Company makes profits, remuneration shall be distributed according to Article 19.

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

## **Chapter 5 - Managers**

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

## **Chapter 6 - Accounting**

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

Article 19: If the Company generates profits in a given fiscal year, at least one percent (1%) shall be allocated as employee compensation (of which one per mille (1‰) shall be distributed to grassroots employees), and no more than one percent (1%) shall be allocated as directors' remuneration. However, if the Company has accumulated losses, such losses shall be covered in advance before any distribution.

Directors' remuneration shall be distributed in cash, while employee compensation may be distributed in cash or shares. The recipients of employee compensation may include employees of subsidiaries who meet certain criteria, which shall be determined by the Board of Directors. The distribution ratio of directors' remuneration, as well as the distribution method and ratio of employee compensation, shall be determined by a resolution of the Board of Directors, with the attendance of at least two-thirds of the directors and the approval of more than half of the attending directors, and shall be reported to the shareholders' meeting.

When calculating employee compensation and directors' remuneration, the amount shall be based on the profit of the current fiscal year (i.e., profit before tax and before the deduction of employee compensation and directors' remuneration), after deducting accumulated losses, and then allocated accordingly.

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

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

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

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

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

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

### **Chapter 7 - Supplementary provisions**

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

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

The first amendment was made on December 23, 1993.

The second amendment was made on May 31, 1994.

The third amendment was made on April 12, 1995.

The fourth amendment was made on November 19, 1996.

The fifth amendment was made on April 12, 1997.

The sixth amendment was made on June 2, 1998.

The seventh amendment was made on July 28, 1999.

The eighth amendment was made on May 12, 2000.

The ninth amendment was made on November 2, 2001.

The tenth amendment was made on June 20, 2002.

The eleventh amendment was made on June 24, 2003.

The twelfth amendment was made on June 21, 2004.

The thirteenth amendment was made on June 30, 2006.

The fourteenth amendment was made on June 15, 2007.

The fifteenth amendment was made on June 19, 2009.

The sixteenth amendment was made on November 18, 2009.

The seventeenth amendment was made on June 18, 2010.

The eighteenth amendment was made on June 24, 2011.

The nineteenth amendment was made on June 18, 2012.

The twentieth amendment was made on May 3, 2013.

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

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

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

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

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

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

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

The twenty-eighth amendment was made on May 28, 2025.

E Ink Holdings Inc.  
Johnson Lee  
Chairman

# E Ink Holdings Inc.

## Comparison Table of Amended and Existing Articles of Incorporation

Item	Revised Content	Original Content	Explanation
Article 19	<p>If the Company generates profits in a given fiscal year, at least one percent (1%) shall be allocated as employee compensation (<u>of which one per mille (1‰) shall be distributed to grassroots employees</u>), and no more than one percent (1%) shall be allocated as directors' remuneration. However, if the Company has accumulated losses, such losses shall be covered in advance before any distribution. Directors' remuneration shall be distributed in cash, while employee compensation may be distributed in cash or shares. The recipients of employee compensation may include employees of subsidiaries who meet certain criteria, which shall be determined by the Board of Directors. The distribution ratio of directors' remuneration, as well as the distribution method and ratio of employee compensation, shall be determined by a resolution of the Board of Directors, with the attendance of at least two-thirds of the directors and the approval of more than half of the attending directors, and shall be reported to the shareholders' meeting.</p> <p>When calculating employee compensation and directors' remuneration, the amount shall be based on the profit of the current fiscal year (i.e., profit before tax and before the deduction of employee compensation and directors' remuneration), after deducting accumulated losses, and then allocated accordingly.</p>	<p>If the Company generates profits in a given fiscal year, at least one percent (1%) shall be allocated as employee compensation, and no more than one percent (1%) shall be allocated as directors' remuneration. However, if the Company has accumulated losses, such losses shall be covered in advance before any distribution.</p> <p>Directors' remuneration shall be distributed in cash, while employee compensation may be distributed in cash or shares. The recipients of employee compensation may include employees of subsidiaries who meet certain criteria, which shall be determined by the Board of Directors. The distribution ratio of directors' remuneration, as well as the distribution method and ratio of employee compensation, shall be determined by a resolution of the Board of Directors, with the attendance of at least two-thirds of the directors and the approval of more than half of the attending directors, and shall be reported to the shareholders' meeting.</p> <p>When calculating employee compensation and directors' remuneration, the amount shall be based on the profit of the current fiscal year (i.e., profit before tax and before the deduction of employee compensation and directors' remuneration), after deducting accumulated losses, and then allocated accordingly.</p>	Revised in accordance with the amendment to Article 14 of the Securities and Exchange Act.
Article 21	<p>The Articles of Association was concluded on June 1, 1992. The first amendment was made on December 23, 1993. The second amendment was made on May 31, 1994. The third amendment was made on April 12, 1995. The fourth amendment was made on November 19, 1996. The fifth amendment was made on April 12, 1997. The sixth amendment was made on June 2, 1998. The seventh amendment was made on July 28, 1999. The eighth amendment was made on May 12, 2000. The ninth amendment was made on November 2, 2001. The tenth amendment was made on June 20, 2002. The eleventh amendment was made on June 24, 2003. The twelfth amendment was made on June 21, 2004. The thirteenth amendment was made on June 30, 2006. The fourteenth amendment was made on June 15, 2007. The fifteenth amendment was made on June 19, 2009. The sixteenth amendment was made on November 18, 2009. The seventeenth amendment was made on June 18, 2010. The eighteenth amendment was made on June 24, 2011. The nineteenth amendment was made on June 18, 2012. The twentieth amendment was made on May 3, 2013. The twenty-first amendment was made on June 18, 2014. The twenty-second amendment was made on June 9, 2015. The twenty-third amendment was made on June 22, 2016. The twenty-fourth amendment was made on June 18, 2019. The twenty-fifth amendment was made on June 18, 2020. The twenty-sixth amendment was made on July 7, 2021. The twenty-seventh amendment was made on June 22, 2022.</p> <p><u>The twenty-eighth amendment was made on May 28, 2025.</u></p>	<p>The Articles of Association was concluded on June 1, 1992. The first amendment was made on December 23, 1993. The second amendment was made on May 31, 1994. The third amendment was made on April 12, 1995. The fourth amendment was made on November 19, 1996. The fifth amendment was made on April 12, 1997. The sixth amendment was made on June 2, 1998. The seventh amendment was made on July 28, 1999. The eighth amendment was made on May 12, 2000. The ninth amendment was made on November 2, 2001. The tenth amendment was made on June 20, 2002. The eleventh amendment was made on June 24, 2003. The twelfth amendment was made on June 21, 2004. The thirteenth amendment was made on June 30, 2006. The fourteenth amendment was made on June 15, 2007. The fifteenth amendment was made on June 19, 2009. The sixteenth amendment was made on November 18, 2009. The seventeenth amendment was made on June 18, 2010. The eighteenth amendment was made on June 24, 2011. The nineteenth amendment was made on June 18, 2012. The twentieth amendment was made on May 3, 2013. The twenty-first amendment was made on June 18, 2014. The twenty-second amendment was made on June 9, 2015. The twenty-third amendment was made on June 22, 2016. The twenty-fourth amendment was made on June 18, 2019. The twenty-fifth amendment was made on June 18, 2020. The twenty-sixth amendment was made on July 7, 2021. The twenty-seventh amendment was made on June 22, 2022.</p>	The date of this amendment to the Articles of Incorporation is hereby specified.