Stock Code: 1721

SUNKO INK CO., LTD.

2021 ANNUAL GENERAL MEETING OF SHAREHOLDERS

MEETING HANDBOOK

Time: 10 June 2021 (Thursday)

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

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

SUNKO INK CO., LTD.

2021 Shareholders' General Meeting Handbook

Table of Contents

SUNKO INK CO., LTD.

2021 Annual General Shareholders' Meeting

Time: 09:00 a.m., 10 June 2021 (Thursday)

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

Meeting Agenda

I. Call the Meeting to Order

II. Chairperson Remarks

III. Management Presentation (Company Reports)

1. 2020 Business Report
2. 2020 Audit Committee's Review Report
3. 2020 Status of Endorsement and Guarantee
4. 2020 Employee and Director Compensation Distribution Report
5. Report on the Company's Amendments of Codes of Ethical Conduct

IV. Ratifications

1. To ratify the 2020 Business Report and Financial Statements
2. To ratify the 2020 Company's earnings appropriation proposal

V. Discussions

1. Amendments of the procedures for Election of Directors

VI. Extraordinary Motions

VII. Meeting Adjourned

Management Presentations (Company Reports)

1. **Issue**: 2020 Business Report

   Details: Please refer to Attachment 1 (page. 7).

2. **Issue**: 2020 Audit Committees’ Review Report

   Details: Please refer to Attachment 2 (page. 16).

3. **Issue**: 2020 Status of Endorsement and Guarantee

   Details: No Endorsement or Guarantee issues.

4. **Issue**: 2020 Employee and Director Compensation Distribution Report

   Details: Pursuant to Article 30 of Articles of Incorporation adopted by SUNKO INK CO., LTD (hereinafter “the Company”), the Company proposes to distribute director remuneration and employee compensation in the amount of $4,019,891(0.8%) and $15,074,594(3%), respectively. Please refer to Attachment 3 (page. 17) for details.

5. **Issue**: Report on the Amendments of the Company’s Codes of Ethical Conduct

   Details: TWSE revised the Codes of Ethical Conduct partially and released the amended provision (Tai-Zheng-Zhi-Li-Zi No. 10900094681) on 3 June 2020. In accordance with the amendment, the Company revised the Company’s Codes of Ethical Conduct in order to comply with the law and regulations. Please refer to Attachment 4 (page. 18) for details.

Ratifications

1. **Proposed by:** The Board of Directors

   Subject: Acknowledgement of the 2020 Business Report and Financial Statements

   Details:

   (1) The Company’s 2020 financial statements and the consolidated financial statements were audited and issued an “unqualified opinion” by CPA Qing-Yuan Tu (Stephen Tu) and CPA Wen-Bi Yen (Martin Yen) of Ernst & Young Taiwan. The audited financial statements and the business report were reviewed by the Audit Committee without any nonconformity identified and with a review report issued.

   (2) The financial statements and independent auditors’ audit report are attached on page 21. (Attachment 5)

   Resolution:

2. **Proposed by:** The Board of Directors

   Subject: Acknowledgement of the Proposal on Distribution of Earnings

   Details:

   (1) The Company’s 2020 after-tax earnings was $524,403,926. It is proposed to distribute $92,237,046 as cash dividends to shareholders at $0.5 per share. Also, the amount is calculated and rounded up to the dollar. The total number of odd shares for less than $1 would be authorized by the director to have a delegate handle such matter at his own discretion.

   (2) Should the Company undertake capital injection, buy back its shares, transfer or cancel treasury stocks, encounter conversions of corporate bonds or employees exercising stock option that affect the number of

outstanding shares so the dividends payout ratio changes, the Board of Directors shall be fully authorized to make the necessary changes.

(3) Upon the approval, the Board of Directors is authorized to set the ex-dividend date.

(4) Please refer to the Statement of Earnings Appropriation as follows.

SUNKO INK CO., LTD

Statement of Earnings Appropriation

For the year ended 31 December 2020

Items	Unit: NT$
Beginning balance of undistributed earnings	$ 36,626,670
Gain from sale of financial asset at fair value through other comprehensive income	12,085,174
2020 Re-measurement of net defined benefit plans	432,310
2020 Net income after tax	524,403,926
Subtotal	573,548,080
Reservable Items	
Legal reserve	(53,692,141)
Special reserve	(5,623,565)
Distributable earnings for the year	514,232,374
Distributable Items:	
Cash dividends ($0.5 per share)	(92,237,046)
Ending balance of undistributed earnings	$ 421,995,328

Note: Distribution of cash dividends to shareholders was based on the outstanding shares of 184,474,092 (188,995,242 shares on the record date of capital reduction, less treasury shares of 4,521,150 shares).

Chairman:	General Manager:	Accounting Supervisor:
Ting-Di Huang	Ting-Di Huang	Sheng-Hui Wang

Resolution:

Discussions

1. **Proposed by:** The Board of Directors

    Subject: Amendments of Procedures for Election of Directors

    Details: TWSE revised the "Procedures for Election of Directors" partially and released the amended provision (Tai-Zheng-Zhi-Li-Zi No. 10900094681) on 3 June 2020. In accordance with the amendment, the Company revised the Company's "Procedures for Election of Directors". Please refer to Attachment 6 (page. 41) for details.

    Resolution:

Extraordinary Motions

Meeting Adjourned

Attachment 1

2020 Business Report

1 Implementation Results

Both the Parent Only Revenue and Consolidated Revenue amounted to $2,752,601 thousand. The Company's consolidated after-tax earnings was $524,306 thousand, of which $524,404 thousand was attributed to shareholders of the parent company. After tax, the consolidated basic and diluted EPS were, respectively, $2.43 and $2.42.

The decrease of 15% in consolidated operating revenue between 2020 and 2019 was $491,367 thousand, was mainly triggered by the following two factors:

(1) The COVID-19 pandemic led to a drop in market demand in the first half of 2020. Not until the second half of 2020 did the business activities gradually return to normal.

(2) The US currency devalued as the Federal Reserve engaged in "Quantitative Easing" policy to overcome the COVID-19 hardships. A relative devaluation on US dollar led to the decline in foreign exchange value.

Besides, expected order transferring from China didn't occur, due to China's quick recovery from the COVID-19 pandemic. Price competition from China is still existing.

The operating profitability this year dropped due to the decrease in revenues, decline in production capacity utilization, and the devaluation of exchange rate with US currency. Meanwhile, operating expense increased in 2020 compared to 2019 mainly because of recording total expenditures of $150 million for pollution remediation based on the "Enhancement of soil and groundwater remediation" projects in Pingjhen and Dali factories, and the compensation distribution to directors (0.8%) and employees (3%). An operating result was concluded at operating loss in the amount of $243,755 thousand. In combining the gains from sales of a property (land in Taiping factory and Taiping factory II worth $740 million), the overall after-tax earnings was $524,306 thousand.

The table below shows our implementation results of 2020, compared with the data from 2019:

1.1 Implementation Results of Operation Plan

Unit: NT$ thousand

Item	2020	2019	Increase (Decrease)	
			Difference	Rate
Operating Revenue (net)	2,752,601	3,243,968	(491,367)	(15.15)
Operating Costs	2,613,246	2,961,831	(348,585)	(11.77)
Operating Profit	139,355	282,137	(142,782)	(50.61)
Operating Expense	383,110	264,814	118,296	44.67
Operating Gains (Losses)	(243,755)	17,323	(261,078)	(1,507.12)
Other profits and losses (net)	727,049	(26,408)	753,457	2,853.14
Pre-tax Earnings (losses)	483,294	(9,085)	492,379	5,419.69
After-tax Earnings (losses)	524,306	(6,877)	531,183	7,724.05

1.2 Forecast and implementation

The Company didn't publish the 2020 Operating Forecast. Therefore, no information regarding implementation is available.

1.3 Financial Income and Expenditure and Profitability Analysis

		For the years ended 31 December	
Item		2020	2019
Profitability	Return on asset (%)	11.88	0.21
	Return on equity (%)	22.05	(0.30)
	Pre-tax income to paid-in capital (%)	25.57	(0.42)
	Profit margin (%)	19.05	(0.21)
	Earnings per share (NT$)	2.43	(0.03)
	Diluted Earnings per share (NT$)	2.42	(0.03)

1.4 Research and Development progress

1.4.1 Research and Development Expenses

Unit: NT$ thousands

	For the years ended 31 December		
	2020	2019	2018
R&D Expenses	54,464	56,390	57,391
Ratio to operating revenues	1.98%	1.74%	1.66%

1.4.2 Recent Research and Development results

Classification	Item	R&D results
Fine Chemical Series	1. Development and promotion of Non-halogenated Flame Retardant derivatives	● New phosphorus-based-structure polyester-diol monomer, patented in 2020 in Taiwan. ● Phenol Sewage Treatment of flame retardant.
	2. Development and research application of nucleating agent	● Replace Aromatic Heterocyclic Phosphate Nucleating Agent: K21. ● K21 ton-scale trial run and testing
	3. Curing Agent	● Filed out both domestic and foreign patent applications on the high-dispersibility Metal (Methyl) Acrylates and its related application technology development. ● Curing agent (339G) ton-scale trial run and testing ● Optimized the curing agent (339G) production process: advance the quality, increase the First Pass Yield, and make storage and logistics convenient
Polymer Series	1. Product development and application research of TPU and PUD	● Glass-transition-temperature TPU structure and its related application, patented in 2020 in Taiwan. ● Developed melt-spinning specified Elastomer (TPU) ● Formulation of water-based Polyurethane (K-FEEL504, 602)
	2. Ultra-film ETPV foam material (EPTV)	● Composition of Expanded TPV and its relevant application technology patented in the U.S. ● Formulation of high-rebound, low-compression-set, and light-weight ETPV and its related application. ● Chemical foaming and ultra-foam technology

2 Overview of 2021 Operation Plan

2.1 Operation Strategy and Policy

Going through the COVID-19 outbreak, many nations implemented policies such as lockdowns and mobility restrictions to prevent further spread of the virus. This outbreak has also triggered a severe economic downturn around the globe. In the meantime, Taiwan handled the pandemic quite well and the business activities carried out as normal. However, we, as a manufacturing industry, still need to import raw materials as well as export our products from and to foreign countries.

Looking back on the pros and cons upon implementation during 2020, and looking ahead to the future trends of the coming year, we make our operation plan as follows:

(1) Develop key raw materials

(2) Develop new products and try out new application on the products we have

(3) Optimize the MIC manufacturing process

(4) Mass produce phosphorus PP

(5) Save energy and decarbonize

(6) Automate labor intensive manufacturing process evaluation

(7) Advance the process via computer systems

(8) Lower the risk of materials shortage and price volatility.

(9) Propose our optimized human resources arrangement according to business volume

(10) Evaluate the competition on the current market situation and improve our manufacturing process accordingly.

2.2 Future development strategies

2.2.1 Fine Chemicals

(1) Strengthen the relationship with clients, increase both sales and the market share

(2) Optimize manufacturing processes with energy saving and decarbonization to lower the manufacturing costs

(3) Stabilize material sourcing channels

(4) Develop new specifications, new products to meet the customer demands

(5) Develop our own patents and create unique-selling-points (USP) to expand the markets

(6) Strengthen the product quality and stabilize the material sourcing channels to increase customer satisfaction

2.2.2 Polymer

(1) Develop unique material

(2) Patent materials manufacturing and related applications

(3) Develop medical and fiber market

(4) Be certified by the brand dealers and end users

(5) Develop and promote ETPU and ETPV footwear materials

(6) Develop ETPU shoes

2.2.3 Plant and environmental protection drugs

(1) Stabilize material sourcing channels

(2) Develop new products to meet the customer demands

(3) Optimize manufacturing process with energy saving and decarbonization to lower the manufacturing costs

(4) Research and develop low-pollution and low-energy-consumption manufacturing process

2.3 Short-term and Long-term Business Development Plan

2.3.1 Short-term Plan

(1) Strengthen the bonds with international manufacturers and increase the market share.

(2) Develop and promote new products: curing agent (339G), PP clarifier (K21), TPU yarn, TPV flame retardants, Polymer footwear materials, hair dye, chloride PP.

(3) Be certified by the brand dealers on Expanded Elastomer footwear materials

(4) Develop second level supplier to reduce the risk of raw materials shortage

(5) Optimize the MIC manufacturing process

(6) Automate the production lines that are labor intensive

2.3.2 Long-term Plan

2.3.2.1 Key trends and strategies on industrial transformation

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

2.3.2.2 Research and development and technical services

(1) Self-develop and form patent applications

(2) Provide technical services to meet customer demands

(3) Assist customers in developing customized products and grab the preemptive opportunities in the market

2.3.2.3 Diversification Strategies

Well utilize the Company’s know-hows in chemicals and manufacturing products. For instance:

(1) Produce personal sanitization products (special cosmetic) using cGMP qualifications from Chuansing Factory

(2) Given the recyclable character of Polymer, develop footwear using 100% Polymer then recycle and reuse

(3) Seek out businesses that are chemical-related and supported by the government

2.3.2.4 “Save Energy, Save Earth”

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

3 Overview of Technology and R&D

3.1 Technical Level

The Company values novelty, inventive steps as well as industrial applicability. We mainly target chemicals that are highly demanded in the market and create technical barriers.

The Company's main research and development team are organic synthesis and polymer chemistry technology experts. They cooperate with a production team with more than 20 years of chemical manufacturing experience, together with trading professionals of great acuity on market development, to invest in research, development, production, OEM and marketing on polymer and fine chemical products.

3.2 Product Development Plan

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

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

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

Classification	Item
Fine Chemical Series	- **K-CLEAR:** New product development and application research of plastic nucleating agent and transparent agent - **K-NOX:** New product development, continuous improvement and application research of rubber and plastic antioxidants - **K-SORB:** Research on industrialization technology of new Triazine UV absorbent products

	- **K-CURE:** Improve and develop applications of rubber and plastic cross-linking curing agent - Research on formulation of hair dye and evaluate the feasibility of OEM - Continuously develop techniques on energy saving and decarbonization
Polymer Series	- Research on Polymer product application (footwear materials and anti-vibration materials) - New product development, continuous improvement and application research on TPV, TPE elastomer - New product development, continuous improvement and application research on ETPU and ETPV expanded elastomer

4 Estimated product sales of 2021

Main Product	Classification	Annual Budget Sales Quantity
		Tons
Antioxidants	Fine Chemicals	8,390
Thermoplastic Elastomer (TPV, TPU)	Polymer	3,473
POLYOL and PU	Polymer	1,916
Agrochemicals	Plants and environmental protection drugs	523
Other fine chemicals (crosslinking curing agents, halogen-free flame retardants, electronic chemicals, nucleating agents)	Fine Chemicals	3,088
Others	Others	581
	Total	17,971

Notes: Sales of other fine chemicals is forecasted to decrease in comparison with the result of this year. Considering the disposal of flame retardants factories and production line adjustments, sales volume is estimated to reduce.

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

From the perspective of macroeconomics, the declining demand was mainly attributed to the COVID-19 pandemic. According to IMF statistics in 2020, the global GDP growth rate was -3.3%. Though the pandemic infections appeared to ease slightly in the beginning of 2021, the global impact of the outbreak remains to be seen.

Threatened by the severe storm in Texas this February and the disorganized global shipping lines, we are now facing the supply and demand imbalance causing significant price fluctuations of raw materials. Not to mention that China does a better job in retaining its place in the price war thanks to its faster production rate. Coupled with the strict environmental regulations in Taiwan, we still need to cope with a lot of uncertainties and challenges on the way.

Looking ahead to the future, we will proactively invest in R&D and work with our clients to accelerate the launch of our new products, so we can avoid the meaningless price war with other countries. Furthermore, in order to tackle the environmental issues, we will continue to optimize our manufacturing process, as well as energy-saving and decarbonization.

Chairman:	General Manager:	Accounting Supervisor:
Ting-Di Huang	Ting-Di Huang	Sheng-Hui Wang

Attachment 2

SUNKO INK CO., LTD

Audit Committees' Review Report

The Board of Directors has prepared the Company's 2020 Business Report and Financial Statements, including parent only and consolidated financial statements. The financial statements were audited by CPA Qing-Yuan Tu (Stephen Tu) and CPA Wen-Bi Yen (Martin Yen) of Ernst & Young Taiwan and issued an accompanying Independent Auditors' Report.

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

Best Regards

The 2020 Annual General Meeting of Shareholders

SUNKO INK CO., LTD

Convener: Yan-Chong Zou

16 March 2021.

Attachment 3

SUNKO INK CO., LTD

Employee and Director Compensation Distribution Table

For the year ended 31 December 2020

Unit: NT$

Item	Amount
Pre-tax Earnings (before distribution)	$502,486,447
Distributable Items (distributed in cash)	
Directors' Compensation (0.8%)	(4,019,891)
Employees' Compensation (3.0%)	(15,074,594)
Pre-tax Earnings	$483,391,962
Note: Pursuant to Article 235-1 of the Company Act and Article 30 of the Articles of Incorporation	

Attachment 4

SUNKO INK CO., LTD

Comparison Table of the "Codes of Ethical Conduct" before and after amendments

Article Number	Before Amendment	After Amendment
		Amendments in compliance with Tai-Cheng-Zhi-Li-Zi No. 1090009468 on 3 June 2020
Article 1	**Objectives and Rationale** For the purpose of providing guidance for directors and managerial officers (including general managers or their equivalents, assistant general managers or their equivalents, deputy assistant general managers or their equivalents, chief financial and chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of a company) to act in line with ethical standards, and helping shareholders better understand the ethical standards of the Company, the Codes of Ethical Conduct are established. Pursuant to Zheng-Qi-Yi-Zi No. 0930005101 issued by SFB on 28 Oct 2004 and Tai-Zheng-Shang-Zi No. 0930028186 issued by TWSE on 11 Nov 2004, the guidelines shall apply differently when managerial officers perform their duties.	**Objectives and Rationale** For the purpose of providing guidance for directors and managerial officers (including general managers or their equivalents, assistant general managers or their equivalents, deputy assistant general managers or their equivalents, chief financial and chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of a company) to act in line with ethical standards, and helping shareholders better understand the ethical standards of the Company, the Codes of Ethical Conduct are established. By referencing the Codes and related regulations, additional codes of ethnical conducts may be enacted with respect to other managerial officers when necessary.

Article 2	**Scope** 2.1 Prevention of conflicts of interest Directors and managers shall avoid any conflicts of interest arising when their personal interest intervenes, or is likely to intervene in the overall interest of the Company, including but not limited to unable to perform their duties in an objective and efficient manner, or taking advantage of their position in the Company to obtain improper benefits for either themselves or their spouse, parents, children, or relatives within the third degree of kinship. The Company shall pay special attention to any matters pertaining to lending funds, providing guarantees, major asset transactions, and purchase (or sale) of goods involving the Company and the above-mentioned persons or their affiliated enterprise. To prevent conflicts of interest, the company shall offer appropriate means for directors, and managerial officers to voluntarily explain whether there is any potential conflict between them and the company.	**Scope** 2.1 Prevention of conflicts of interest Directors and managers shall avoid any conflicts of interest arising when their personal interest intervenes, or is likely to intervene in the overall interest of the Company, including but not limited to unable to perform their duties in an objective and efficient manner, or taking advantage of their position in the Company to obtain improper benefits for either themselves or their spouse, parents, children, or relatives within the second degree of kinship. The Company shall pay special attention to any matters pertaining to lending funds, providing guarantees, major asset transactions, and purchase (or sale) of goods involving the Company and the above-mentioned persons or their affiliated enterprise. To prevent conflicts of interest, the company shall offer appropriate means for directors, and managerial officers to voluntarily explain whether there is any potential conflict between them and the company.

Article 2	**2.7 Encouraging report of illegal or unethical activities** The Company shall raise the awareness of ethics internally, and encourage employees to report to a supervisor, managerial officer, chief internal auditor, or other appropriate individuals upon suspicion or acknowledgement of any activity in violation of the regulation or the Codes of Ethical Conduct. To encourage employees to report illegal conduct, the Company shall make employees aware that the Company will exert all efforts to protect informants from reprisals.	**2.7 Encouraging report of illegal or unethical activities** The Company shall raise the awareness of ethics internally, and encourage employees to report to a supervisor, managerial officer, chief internal auditor, or other appropriate individuals upon suspicion or acknowledgement of any activity in violation of the law or the Codes of Ethical Conduct. The Company shall also exert all efforts to establish a substantial whistle-blowing system, and make it known to all employees that the Company will protect whistle-blowers from reprisals.
Article 3	**Exemption procedure** Whenever a director or managerial officer is found necessary to be exempted from the Codes, information such as the period of, reasons for, and principles behind shall obtain approval from the Board of Directors. The shareholders may evaluate the appropriateness of the board resolution to prevent any arbitrary or dubious exemption from the Codes, and to safeguard the interests of the company.	**Exemption procedure** Whenever a director or managerial officer is found necessary to be exempted from the Codes, information such as the date of approval, opposing or reserved opinions of each independent director, period of exemption, reasons and principles for such exemption shall be adopted by a resolution of the Board of Directors and be disclosed without delay on the MOPS. The shareholders may evaluate the appropriateness of the board resolution to prevent any arbitrary or dubious exemption from the Codes, and to safeguard the interests of the Company.

Attachment 5

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AUDIT REPORT OF INDEPENDENT ACCOUNTANTS

English Translation of a Report Originally Issued in Chinese

Independent Auditors' Report

To SUNKO INK CO., LTD.

Opinion

We have audited the accompanying parent company only balance sheets of SUNKO INK CO., LTD. (the "Company") as of 31 December 2020 and 2019, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years ended 31 December 2020 and 2019, and notes to the parent company only financial statements, including the summary of significant accounting policies.

In our opinion, the parent company only financial statements referred to above present fairly, in all material respects, the parent company only financial position of the Company as of 31 December 2020 and 2019, and their parent company only financial performance and cash flows for the years ended 31 December 2020 and 2019, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2020 the parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Impairment of notes and accounts receivable

As of 31 December, 2020, the Company's gross notes and accounts receivable and allowance for loss amounted to $513,233 and $17,046 respectively. Net notes and accounts receivable accounted for 10% of total assets that could have significant impact on the financial statements. Since the collection of notes and accounts receivable is the key factor in the working capital management of the Company, and the adoption of provision policy requires significant management judgement, we therefore determined this a key audit matter.

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

Inventory valuation

As at 31 December 2020, the Company's net inventories amounted to $708,383 accounting for 15% of the total assets. The estimation of allowance for inventory valuation loss and obsolescence loss was based on inventories of the raw materials and finished goods. The estimation basis of inventory valuation based on the effect of products physical characteristic on quality, and the demand of products within a particular period in the future, the allowance for inventory valuation loss and obsolescence loss could be affected by management judgement. We therefore determined this a key audit matter.

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2020 the parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

/s/Tu, Chin Yuan

/s/Yen, Wen Pi

Ernst & Young, Taiwan

16 March 2021

Notice to Readers

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

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

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
SUNKO INK CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
31 December 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of 31 December	
		2020	2019
Current assets			
Cash and cash equivalents	4,6(1)	$759,463	$506,770
Financial assets measured at amortized cost - current	4,6(2)	600,000	50,000
Notes receivable, net	4,6(13)	39,248	31,601
Accounts receivable, net	4,6(3)&(13)	496,187	587,855
Inventories, net	4,6(4)	708,383	792,369
Prepayments	7	47,732	86,459
Other current assets	12	2,785	2,827
Total current assets		2,653,798	2,057,881
Non-current assets			
Financial assets at fair value through other comprehensive income -noncurrent	4,13	93,266	66,664
Financial assets measured at amortized cost - non current	4,6(2)&8	2,800	2,800
Investments accounted for under the equity method	4,6(5)	16,100	32,799
Property, Plant and Equipment	4,6(6)&8	1,702,853	1,773,348
Right-of-use assets	4,6(14)&7	103,387	118,699
Intangible assets	4	14,914	14,742
Deferred tax assets	4,6(18)	92,221	35,444
Prepayment for equipment		95,798	120,437
Other non-current assets	4	24,104	18,162
Total non-current assets		2,145,443	2,183,095
Total Assets		$4,799,241	$4,240,976

(continued)

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
SUNKO INK CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS (Continued)
31 December 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	As of 31 December	
		2020	2019
Current liabilities			
Short-term loans	4,6(7)	$226,246	$291,628
Contract liabilities, current	4,6(12	18,752	20,384
Notes payable		2,021	2,097
Accounts payable		295,020	317,703
Other payables	6(8)	590,964	174,239
Current tax liabilities	4	4,662	4,662
Lease liabilities, current	4,6(14)&7	23,047	24,084
Current portion of long-term loans	4,6(9)	127,609	221,676
Other current liabilities	12,13	186,440	259
Total current liabilities		1,474,761	1,056,732
Non-current liabilities			
Long-term loans	4,6(9)	670,292	698,260
Deferred tax liabilities	4,6(18)	75,005	93,937
Lease liabilities, non-current	4,6(14)&7	79,484	93,090
Net defined benefit obligation, non-current	4,6(10)	22,426	26,086
Other non-current liabilities		75	-
Total non-current liabilities		847,282	911,373
Total liabilities		2,322,043	1,968,105
Equity			
Capital			
Common stock	6(11)	1,889,952	2,223,473
Additional paid-in capital	6(11)	37,848	37,785
Retained earnings	6(11)		
Legal reserve		26,327	26,327
Special reserve		-	14,519
Unappropriated earnings		573,547	22,107
Other equity		(5,623)	1,428
Treasury stock	6(11)	(44,853)	(52,768)
Total equity		2,477,198	2,272,871
Total Liabilities and Equity		$4,799,241	$4,240,976

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

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

SUNKO INK CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

For the years ended 31 December 2020 and 2019

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

		For the years ended 31 December	
	Notes	2020	2019
Operating revenues	4,6(12)&7	$2,752,601	$3,228,494
Operating costs	6(15)	(2,613,246)	(2,947,733)
Gross profit		139,355	280,761
Operating expenses	6(15)		
Selling and marketing expense		(69,128)	(74,743)
General and administrative expense		(259,939)	(134,234)
Research and development expense		(54,464)	(56,390)
Expected credit gain	6(13)	490	2,419
Total operating expenses		(383,041)	(262,948)
Operating (loss) income		(243,686)	17,813
Non-operating income and expenses	6(16),7		
Interest revenue		2,386	846
Other income		24,570	12,394
Other gains and loss		720,501	(14,234)
Finance costs		(16,151)	(19,545)
Share of profit or loss of subsidiaries, associates and joint ventures	4,6(5)	(4,228)	(6,290)
Total non-operating income and expenses		727,078	(26,829)
Income from continuing operations before income tax		483,392	(9,016)
Income tax benefit	4,6(18)	41,012	2,208
Net income (loss)		524,404	(6,808)
Other comprehensive income (loss)	6(17)		
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit pension plans		540	1,820
Unrealized gains or loss from equity instruments investments measured at fair value through other comprehensive income		5,799	15,814
Income tax relating to items that will not be reclassified subsequently		(108)	(364)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		(182)	600
Share of other comprehensive income (loss) of associates and joint ventures which may be reclassified subsequently to profit or loss		(801)	(434)
Income tax relating to items that may be reclassified subsequently		218	(33)
Total other comprehensive income (loss) , net of tax		5,466	17,403
Total comprehensive income		$529,870	$10,595
Earnings (loss) per share (NTD)	4,6(19)		
Earnings (loss) per share-basic		$2.43	$(0.03)
Earnings (loss) per share-diluted		$2.42	$(0.03)

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

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

SUNKO INK CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

For the years ended 31 December 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

		Total Equity								
				Retained Earnings			Other components of Equity			
		Common Stock	Additional Paid-in Capital	Legal Reserve	Special reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gains or Loss on Financial Assets Measured at Fair Value through other Comprehensive Income	Treasury stock	Total Equity
Balance as of 1 January 2019	6(11)	$2,223,473	$37,785	$24,714	$ -	$43,591	$(87)	$(14,432)	$(44,708)	$2,270,336
Appropriation and distribution of 2018 retained earnings										
Legal reserve	6(11)			1,613		(1,613)				-
Special reserve	6(11)				14,519	(14,519)				-
Net loss for the year ended 31 December 2019						(6,808)				(6,808)
Other comprehensive income (loss), net of tax for the year ended 31 December 2019	6(17)					1,456	133	15,814		17,403
Total comprehensive income (loss)		-	-	-	-	(5,352)	133	15,814	-	10,595
Treasury stock acquired	4,6(11)								(8,060)	(8,060)
Balance as of 31 December 2019		$2,223,473	$37,785	$26,327	$14,519	$22,107	$46	$1,382	$(52,768)	$2,272,871
Balance as of 1 January 2020	6(11)	$2,223,473	$37,785	$26,327	$14,519	$22,107	$46	$1,382	$(52,768)	$2,272,871
Appropriation and distribution of 2019 retained earnings										
Legal reserve	6(11)			-		-				-
Special reserve	6(11)				(14,519)	14,519				-
Net income for the year ended 31 December 2020						524,404				524,404
Other comprehensive income (loss), net of tax for the year ended 31 December 2020	6(17)					432	(765)	5,799		5,466
Total comprehensive income (loss)		-	-	-	-	524,836	(765)	5,799	-	529,870
Capital reduction	6(11)	(333,521)	63						7,915	(325,543)
Diposal of equity instruments at fair value through other comprehensive incom						12,085		(12,085)		-
Balance as of 31 December 2020		$1,889,952	$37,848	$26,327	$ -	$573,547	$(719)	$(4,904)	$(44,853)	$2,477,198

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

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

SUNKO INK CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

For the years ended 31 December 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

	For the years ended 31 December 2020	For the years ended 31 December 2019
Cash flows from operating activities:		
Net income (loss) before tax	$483,392	$(9,016)
Adjustments to reconcile net income (loss) before tax to net cash provided by operating activities:		
Depreciation (include record other gains and loss)	255,401	237,664
Amortisation (include record other gains and loss)	13,824	15,158
Expected credit gain	(490)	(2,419)
Net loss (gain) of financial assets/liabilities at fair value through profit or loss	(97)	16
Finance costs	16,151	19,545
Interest revenue	(2,386)	(846)
Dividend income	(3,254)	(3,896)
Share of profit or loss of subsidiaries, associates and joint ventures	4,228	6,290
(Gain) Loss on disposal of property, plant and equipment	(741,464)	7,868
Loss on disposal of investments	78	351
Other	(2)	52
Changes in operating assets and liabilities:		
(Increase) Decrease in notes receivable	(7,647)	3,988
Decrease in accounts receivables	92,158	56,325
Decrease (Increase) in inventories, net	83,986	(43,670)
Decrease (Increase) in prepayments	38,727	(21,289)
Decrease in other current assets	1,299	28,161
(Decrease) Increase in contract liabilities	(1,632)	19,377
Decrease in notes payable	(76)	(8,434)
Decrease in accounts payable	(22,683)	(20,036)
Increase (Decrease) in other payables	88,493	(43,921)
Increase (Decrease) in other current liabilities	197	(349)
Decrease in net defined benefit obligation, noncurrent	(3,120)	(6,875)
Cash generated from operations	295,083	234,044
Interest received	2,284	841
Dividends received	3,254	4,443
Interest paid	(16,520)	(19,659)
Income tax paid	(34,587)	(1,596)
Net cash provided by operating activities	249,514	218,073

	For the years ended 31 December 2020	For the years ended 31 December 2019
Cash flows from investing activities:		
Proceeds from disposal of financial assets at fair value through profit or loss through other comprehensive income or loss	$(42,500)	-
Disposal from disposal of financial assets at fair value through profit or loss through other comprehensive income or loss	21,697	-
Acquisition of financial assets measured at amortized cost	(550,000)	(50,000)
Proceeds from disposal of investment accounted for using equity method	10,336	2,772
Acquisition of property, plant and equipment	(93,516)	(117,768)
Proceeds from disposal of property, plant and equipment	820,847	529
Increase in advance receipt-disposal of assets	186,000	-
Acquisition of intangible assets	(3,931)	(2,432)
Increase in other non-current assets	(16,007)	(5,739)
Increase in Prepayment for equipment	(116,315)	(197,839)
Net cash provided by (used in) investing activities	216,611	(370,477)
Cash flows from financing activities:		
Increase in short-term loans	1,033,148	1,417,885
Decrease in short-term loans	(1,098,530)	(1,444,058)
Increase in long-term loans	461,500	400,000
Decrease in long-term loans	(583,535)	(276,868)
Cash payments for the principle portion of the lease liability	(26,090)	(23,455)
Increase in other non-current liabilities	75	-
Treasury stock acquired	-	(8,060)
Net cash (used in) provided by financing activities	(213,432)	65,444
Net increase (decrease) in cash and cash equivalents	252,693	(86,960)
Cash and cash equivalents at beginning of year	506,770	593,730
Cash and cash equivalents at end of year	$759,463	$506,770

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

安永聯合會計師事務所

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AUDIT REPORT OF INDEPENDENT ACCOUNTANTS

English Translation of a Report Originally Issued in Chinese

Independent Auditors' Report

To SUNKO INK CO., LTD.

Opinion

We have audited the accompanying consolidated balance sheets of SUNKO INK CO., LTD. And its subsidiaries (the "Group") as of 31 December, 2020 and 2019, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended 31 December, 2020 and 2019, and notes to the consolidated financial statements, including the summary of significant accounting policies (together "the consolidated financial statements").

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company as at 31 December, 2020 and 2019, and their consolidated financial performance and cash flows for the years ended 31 December, 2020 and 2019, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2020 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Impairment of accounts receivable

As of 31 December 2020, the Group's and its subsidiaries' gross accounts receivable and allowance for loss amounted to $513,233 and $17,046 respectively. Net notes and accounts receivable accounted for 10% of consolidated total assets which was material to the Group. Since the collection of notes and accounts receivable is the key factor in the working capital management of the Group, and the adoption of provision policy requires significant management judgement, we therefore determined this a key audit matter.

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

Inventory valuation

As at 31 December 2020, the Group's net inventories amounted to $708,383 accounting for 15% of the total consolidated assets. The estimation of allowance for inventory valuation loss and obsolescence loss was based on inventories of the raw materials and finished goods. The estimation basis of inventory valuation based on the effect of products physical characteristic on quality, and the demand of products within a particular period in the future, the allowance for inventory valuation loss and obsolescence loss could be affected by management judgement. We therefore determined this a key audit matter.

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

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

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

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

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

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

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

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

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1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Group and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2020 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Others

We have audited and expressed an unqualified opinion and an unqualified opinion with emphasis of matter on the parent company only financial statements of the Company as of and for the years ended 31 December 2020 and 2019.

/s/Tu, Chin Yuan

/s/Yen, Wen Pi

Ernst & Young, Taiwan

16 March 2021

Notice to Readers

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English Translation of Consolidated Financial Statements Originally Issued in Chinese
SUNKO INK CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
31 December 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of 31 December	
		2020	2019
Current assets			
Cash and cash equivalents	4,6(1)	$760,056	$522,042
Financial assets measured at amortized cost - current	4,6(2)	600,000	50,000
Notes receivable, net	4,6(13)	39,248	31,601
Accounts receivable, net	4,6(3)&(13)	496,187	587,855
Inventories, net	4,6(4)	708,383	792,369
Prepayments	7	47,970	86,711
Other current assets	12	3,011	3,092
Total current assets		2,654,855	2,073,670
Non-current assets			
Financial assets at fair value through other comprehensive income -noncurrent	4,13	93,266	66,664
Financial assets measured at amortized cost - non current	4,6(2)&8	2,800	2,800
Investments accounted for under the equity method	4,6(5)	15,191	21,054
Property, Plant and Equipment	4,6(6)&8	1,702,885	1,773,778
Right-of-use assets	4,6(14)&7	103,387	118,699
Intangible assets	4	14,914	14,742
Deferred tax assets	4,6(18)	92,221	35,444
Prepayment for equipment		95,798	120,437
Other non-current assets	4	24,104	18,162
Total non-current assets		2,144,566	2,171,780
Total Assets		$4,799,421	$4,245,450

(continued)

English Translation of Consolidated Financial Statements Originally Issued in Chinese
SUNKO INK CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (Continued)
31 December 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	As of 31 December	
		2020	2019
Current liabilities			
Short-term loans	4,6(7)	$226,246	$291,628
Contract liabilities, current	4,6(12)	18,752	20,384
Notes payable		2,021	2,097
Accounts payable		295,020	317,703
Other payables	6(8)	590,964	174,247
Current tax liabilities	4	4,662	4,662
Lease liabilities, current	4,6(14)&7	23,047	24,084
Current portion of long-term loans	4,6(9)	127,609	221,676
Other current liabilities	12,13	186,441	259
Total current liabilities		1,474,762	1,056,740
Non-current liabilities			
Long-term loans	4,6(9)	670,292	698,260
Deferred tax liabilities	4,6(18)	75,005	93,937
Lease liabilities, non-current	4,6(14)&7	79,484	93,090
Net defined benefit obligation, non-current	4,6(10)	22,426	26,086
Other non-current liabilities		75	-
Total non-current liabilities		847,282	911,373
Total liabilities		2,322,044	1,968,113
Equity attributable to the parent company			
Capital			
Common stock	6(11)	1,889,952	2,223,473
Additional paid-in capital	6(11)	37,848	37,785
Retained earnings	6(11)		
Legal reserve		26,327	26,327
Special reserve		-	14,519
Unappropriated earnings		573,547	22,107
Subtotal		599,874	62,953
Other components of equity		(5,623)	1,428
Treasury stock		(44,853)	(52,768)
Total equity attributable to the parent company		2,477,198	2,272,871
Non-controlling interests	6(11)	179	4,466
Total equity		2,477,377	2,277,337
Total Liabilities and Equity		$4,799,421	$4,245,450

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

SUNKO INK CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the years ended 31 December 2020 and 2019

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

	Notes	For the years ended 31 December 2020	2019
Operating revenues	4,6(12)&7	$2,752,601	$3,243,968
Operating costs	6(15)&7	(2,613,246)	(2,961,831)
Gross profit		139,355	282,137
Operating expenses	6(15)		
Selling and marketing expense		(69,128)	(75,012)
General and administrative expense		(260,008)	(135,831)
Research and development expense		(54,464)	(56,390)
Expected credit gain	6(13)	490	2,419
Total operating expenses		(383,110)	(264,814)
Operating (loss) income		(243,755)	17,323
Non-operating income and expenses	6(16),7		
Interest revenue		2,390	863
Other income		24,622	13,865
Other gains and loss		720,176	(15,693)
Finance costs		(16,151)	(19,545)
Share of profit or loss of associates and joint ventures	4,6(5)	(3,988)	(5,898)
Total non-operating income and expenses		727,049	(26,408)
Income (loss) from continuing operations before income tax		483,294	(9,085)
Income tax benefit	4,6(18)	41,012	2,208
Net income (loss)		524,306	(6,877)
Other comprehensive income (loss)	6(17)		
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit pension plans		540	1,820
Unrealized gains or loss from equity instruments investments measured at fair value through other comprehensive income		5,799	15,814
Income tax relating to items that will not be reclassified subsequently		(108)	(364)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		(182)	840
Share of other comprehensive income (loss) of associates and joint ventures which may be reclassified subsequently to profit or loss		(801)	(434)
Income tax relating to items that may be reclassified subsequently		218	(33)
Total other comprehensive income (loss) , net of tax		5,466	17,643
Total comprehensive income (loss)		$529,772	$10,766
Net income (loss) attributable to:			
Stockholders of the parent	4,6(19)	$524,404	$(6,808)
Non-controlling interests		(98)	(69)
		$524,306	$(6,877)
Comprehensive income attributable to:			
Stockholder of the parent		$529,870	$10,595
Non-controlling interests		(98)	171
		$529,772	$10,766
Earnings (loss) per share (NTD)	4,6(19)		
Earnings (loss) per share-basic		$2.43	$(0.03)
Earnings (loss) per share-diluted		$2.42	$(0.03)

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
SUNKO INK CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended 31 December 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

		Equity Attributable to the Parent Company										
				Retained Earnings			Other components of Equity					
		Common Stock	Additional Paid-in Capital	Legal Reserve	Special reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gains or Loss on Financial Assets Measured at Fair Value through other Comprehensive Income	Treasury stock	Total	Non-Controlling Interests	Total Equity
Balance as of 1 January 2019	6(11)	$2,223,473	$37,785	$24,714	$ -	$43,591	$(87)	$(14,432)	$(44,708)	$2,270,336	$4,295	$2,274,631
Appropriation and distribution of 2018 retained earnings												
Legal reserve	6(11)			1,613		(1,613)				-		-
Special reserve	6(11)				14,519	(14,519)				-		-
Net loss for the year ended 31 December 2019						(6,808)				(6,808)	(69)	(6,877)
Other comprehensive income (loss), net of tax for the year ended 31 December, 2019	6(17)					1,456	133	15,814		17,403	240	17,643
Total comprehensive income (loss)		-	-	-	-	(5,352)	133	15,814	-	10,595	171	10,766
Treasury stock acquired	4,6(11)								(8,060)	(8,060)		(8,060)
Balance as of 31 December 2019		$2,223,473	$37,785	$26,327	$14,519	$22,107	$46	$1,382	$(52,768)	$2,272,871	$4,466	$2,277,337
Balance as of 1 January 2020	6(11)	$2,223,473	$37,785	$26,327	$14,519	$22,107	$46	$1,382	$(52,768)	$2,272,871	$4,466	$2,277,337
Appropriation and distribution of 2019 retained earnings												
Legal reserve	6(11)			-		-				-		-
Special reserve	6(11)				(14,519)	14,519				-		-
Net income for the year ended 31 December 2020						524,404				524,404	(98)	524,306
Other comprehensive income (loss), net of tax for the year ended 31 December 2020	6(17)					432	(765)	5,799		5,466		5,466
Total comprehensive income (loss)		-	-	-	-	524,836	(765)	5,799	-	529,870	(98)	529,772
Capital reduction	6(11)	(333,521)	63						7,915	(325,543)		(325,543)
Diposal of equity instruments at fair value through other comprehensive incom						12,085		(12,085)				
Non-controlling Interests											(4,189)	(4,189)
Balance as of 31 December 2020		$1,889,952	$37,848	$26,327	$ -	$573,547	$(719)	$(4,904)	$(44,853)	$2,477,198	$179	$2,477,377

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

SUNKO INK CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended 31 December 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

	For the years ended 31 December	
	2020	2019
Cash flows from operating activities:		
Net income (loss) before tax	$483,294	$(9,085)
Adjustments to reconcile net income (loss) before tax to net cash provided by operating		
Depreciation (include record other gains and loss)	255,550	238,093
Amortisation (include record other gains and loss)	13,824	15,185
Expected credit gain	(490)	(2,419)
Net loss (gain) of financial assets/liabilities at fair value through profit or loss	(97)	16
Finance costs	16,151	19,545
Interest revenue	(2,390)	(863)
Dividend income	(3,254)	(3,896)
Share of loss of associates and joint ventures	3,988	5,898
(Gain) Loss on disposal of property, plant and equipment	(741,298)	7,779
Loss on disposal of investments	-	1,151
Other	(2)	52
Changes in operating assets and liabilities:		
(Increase) Decrease in notes receivable	(7,647)	3,988
Decrease in accounts receivables	92,158	56,325
Decrease (Increase) in inventories, net	83,986	(43,519)
Decrease (Increase) in prepayments	38,741	(21,107)
Decrease in other current assets	1,338	27,989
(Decrease) Increase in contract liabilities	(1,632)	19,377
Decrease in notes payable	(76)	(8,544)
Decrease in accounts payable	(22,683)	(20,036)
Increase (Decrease) in other payables	88,485	(44,077)
Increase (Decrease) in other current liabilities	198	(390)
Decrease in net defined benefit obligation, noncurrent	(3,120)	(6,875)
Cash generated from operations	295,024	234,587
Interest received	2,288	858
Dividends received	3,254	4,443
Interest paid	(16,520)	(19,659)
Income tax paid	(34,587)	(1,596)
Net cash provided by operating activities	249,459	218,633

	For the years ended 31 December	
	2020	2019
Cash flows from investing activities:		
Proceeds from disposal of financial assets at fair value through profit or loss through other comprehensive income or loss	$(42,500)	-
Disposal from disposal of financial assets at fair value through profit or loss through other comprehensive income or loss	21,697	-
Acquisition of financial assets measured at amortized cost	(550,000)	(50,000)
Proceeds from disposal of investment accounted for under the equity method	-	2,772
Acquisition of property, plant and equipment	(93,516)	(117,768)
Proceeds from disposal of property, plant and equipment	820,930	805
Increase in advance receipt-disposal of assets	186,000	-
Acquisition of intangible assets	(3,931)	(2,432)
Increase in other non-current assets	(16,007)	(5,658)
Increase in prepayment for equipment	(116,315)	(197,839)
Net cash provided by (used in) investing activities	206,358	(370,120)
Cash flows from financing activities:		
Increase in short-term loans	1,033,148	1,417,885
Decrease in short-term loans	(1,098,530)	(1,444,058)
Increase in long-term loans	461,500	400,000
Decrease in long-term loans	(583,535)	(276,868)
Cach payments for the principle portion of the lease liability	(26,090)	(23,455)
Increase in other non-current liabilities	75	-
Treasury stock acquired	-	(8,060)
Changes in non-controlling interests	(4,189)	-
Net cash (used in) provided by financing activities	(217,621)	65,444
Effect of exchange rate changes on cash and cash equivalents	(182)	40
Net increase (decrease) in cash and cash equivalents	238,014	(86,003)
Cash and cash equivalents at beginning of year	522,042	608,045
Cash and cash equivalents at end of year	$760,056	$522,042

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

Attachment 6

SUNKO INK CO., LTD

Comparison Table of the "Procedures for Election of Directors" before and after amendments

Before Amendment	After Amendment
	Amendments in compliance with Tai-Cheng-Zhi-Li-Zi No. 1090009468 on 3 June 2020.
Article 1 Expect as otherwise provided by law and regulation or by the Company's Articles of Incorporation, elections of directors shall be conducted in accordance with these Procedures and relevant regulations.	**Article 1** To ensure a fair, just, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies".
Article 2 Elections of directors shall be held at the shareholders' meeting.	**Article 2** Expect as otherwise provided by law and regulation, elections of directors shall be conducted in accordance with these Procedures.
Article 4 The election of independent and non-independent directors shall be held simultaneously but on separate ballots and be calculated separately.	**Article 4** The qualification of Independent Directors shall comply with Articles 2, 3, and 4 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies". The election of Independent Directors shall comply with Articles 5, 6, 7, 8, and 9 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" and Article 24 of "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies".

Article 5 The numbers of Directors shall be determined in accordance with the Company's Article of Corporation. The winners of the election shall be determined in descending order of the number of votes received by the candidates. A tie between two or more candidates with the same number of votes shall be resolved by a draw. The chairman would draw on behalf of any absent candidates.	**Article 5** The Company shall hold a by-election at the next shareholders' meeting when the number of directors is less than five due to the dismissal of a director for any reason. When the number of vacancies in the board of directors equals to one third of the total number prescribed in the Company's Articles of Incorporation, the Company shall call, within 60 days from the occurrence, an Extraordinary Shareholders' Meeting to elect succeeding directors to fill the vacancy. When the number of independent directors falls below the number required under the proviso of Article 14-2, Paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders' meeting to fill the vacancy. When the Independent Directors are dismissed, an Extraordinary Shareholders' Meeting shall be held to fill the vacancy.
Article 6 Pursuant to Article 198 of the Company Act, the election of directors shall adopt signed vote and the Cumulative Voting System. Each share shall have voting rights in number equal to the directors to be elected, and such rights can be combined to vote for one candidate or divided to vote for several candidates.	**Article 6** The election of directors shall adopt the Cumulative Voting System. Each share shall have the same number of voting rights as the number of directors to be elected, and such rights can be combined to vote for one candidate or divided to vote for several candidates.
Article 7 The Company shall prepare ballots. Each ballot shall be numbered corresponding to the attendance pass serial number, contain the number of voting rights, and be distributed to the	**Article 7** The Board of Directors shall prepare ballots in the same number as the directors to be elected. Each ballot shall contain the number of voting rights and shall be distributed to the attending

attending shareholders.	shareholders. The electors’ names can be replaced by the attendance pass serial number printed on the ballot paper.
	Article 8 In accordance with the Company’s Articles of Incorporation, the respective number and voting rights for independent and non-independent directors shall be determined and calculated separately. The winners of the election shall be determined in descending order of the number of votes received by the candidates. A tie between two or more candidates with the same number of votes shall be resolved by a draw. The chairman would draw on behalf of any absent candidates.
Article 8 Before the election starts, the chairman shall appoint several scrutineers and poll clerks to perform the duties of vote scrutiny and counting. **Article 9** The ballot boxes shall be prepared by the Board of Directors and be publicly inspected by the scrutineer before voting commences. **Article 10** A voter shall fill in in the “candidate” column on the ballot such candidate’s name and shareholder code or ID number when the said candidate is a shareholder. However, when the candidate is a government or a juridical person, the names of both the government or juridical person and the	**Article 9** Before the election starts, the chairman shall appoint several scrutineers and poll clerks with shareholder status to perform the duties of vote scrutiny and counting. The ballot boxes shall be prepared by the Board of Directors and be publicly inspected by the scrutineer before voting commences. A voter shall fill in in the “candidate” column on the ballot such candidate’s name and shareholder code or ID number when the said candidate is a shareholder. However, when the candidate is a government or corporate shareholder, the names of both the government or corporate shareholder and the representative shall be stated on the ballot.

representative shall be written. When there're several representatives, the names of all representatives shall be listed.	When there're several representatives, the names of all representatives shall be stated on the ballot.
Article 11 A ballot shall be deemed void under any of the following circumstances: 1. The ballot was not prepared by the Board. 2. A blank ballot is placed in the ballot box. 3. The writing is indecipherable or has been altered. 4. When the candidate's name does not conform with what was given on the candidates' list upon cross-checking. 5. Any ballot that obtain words or marks other than the information of the candidates. 6. The candidate's name is identical to that of another shareholder, but no supportive information such as shareholder code or ID number is provided to verify such individual. 7. Two or more candidates are written on the same ballot, unless the ballot is intended for this condition.	**Article 10** A ballot shall be deemed void under any of the following circumstances: 1. The ballot was not prepared by the Board. 2. A blank ballot is placed in the ballot box. 3. The writing is illegible or has been altered. 4. When the candidate's name does not conform with what was given on the candidates' list upon cross-checking. 5. Any ballot that has been marked with any wording other than the information of the candidates.
Article 12 The chairman shall appoint several scrutineers and poll clerks. The ballot box shall be set up for the election and be opened by the scrutineer after the voting. Elections for independent and non-independent directors shall be held at the same time but counted and elected separately.	**Article 11** The ballot box shall be opened on site for counting immediately after the voting. The ballots shall be counted under the supervision of the scrutineers. The chairman shall announce the list and votes of the elected directors on site.

Article 13 The ballots shall be counted under the supervision of the scrutineers. The chairman shall announce the results on site.	 The ballot papers for election matters shall be sealed and signed by the scrutineer and shall be properly kept for at least one year. However, ballots in connection with lawsuits filed by shareholders in accordance with Article 189 of the Company Act shall be kept until the lawsuit concludes.
Article 14 The Board of Directors shall send notifications to each of the individuals elected.	**Article 12** The Board of Directors shall send notifications to each of the individuals elected as directors.
Article 15 Matters not covered in this Procedures shall be governed by the Company Act, Articles of Incorporation and any relevant laws and regulations.	**Article 15** (Article deleted)

Appendix 1

SUNKO INK CO., LTD

Rules of Procedures for Shareholders' Meeting

Article 1

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

Article 2

The Company shall specify the time and venue for attendance sign-ins and other imperative matters on the Notice of Shareholders' Meeting.

The aforementioned time for signing in shall be at least 30 minutes before the meeting commences. The venue for attendance sign-ins shall be indicated clearly and the sign-in process shall be handled by appropriate personnel.

Shareholders and their proxies (hereinafter, the "Shareholders") shall attend the meeting with attendance card, sign-in card, or other attendance document. The proxy solicitor shall also provide identity documents for verification.

The Company shall set up a signature book for attending Shareholders to sign in. Alternative, Shareholders attending the meeting shall submit the attendance card in lieu of signing in. Attendance at the meeting shall be calculated based on the signature book or the received attendance card. The votes of the meeting may be exercised in writing or by electronic means. Except otherwise regulated in relevant laws and regulations, such votes shall be counted in determining the said number of shares of attending Shareholders.

The Company shall furnish attending Shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting ballots, and other meeting materials. Where there is an election of directors, election ballots shall be furnished as well.

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

Article 3

The chairman shall call the meeting to order when a majority Shareholders are present at the Meeting. However, when the attending Shareholders do not represent half of the total number of issued shares, the chairman may postpone the time for the Meeting. No more than two such postponements, for a combined total of no more than one hour, may be made.

If the quorum is not met after two postponements, but the attending Shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted (pursuant to Article 175 of the Company Act). When the number of the attending Shareholders reaches the statutory number, the chairman shall call the meeting to order, and resubmit the tentative resolution.

Article 4

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

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

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

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

Article 5

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

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

Article 6

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

Article 7

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

Article 8

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

Article 9

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

Article 10

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

Article 11

Unless otherwise provided by the Company Act, a resolution shall be passed if it is agreed by half of the attending shareholders. When no dissenting opinion is expressed, a resolution shall be deemed passed with the same validity as agreed by voting.

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

Vote counting for proposals or elections shall be conducted in public at the place of the meeting. Immediately after the completion of vote counting, the results of the voting, including the statistical tallies of the number of votes, shall be announced on site and duly recorded.

Article 11-1

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

Article 12

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

Article 13

Matters not covered in this Procedures shall be governed by the Company Act and any relevant laws and regulations.

Article 14

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

The Rules were established on 25 May 1991.

The 1st Amendment was made on 5 June 2002.

The 2nd Amendment was made on 14 June 2012.

The 3rd Amendment was made on 24 June 2013.

The 4th Amendment was made on 4 May 2016.

Appendix 2

SUNKO INK CO., LTD

Articles of Incorporation

Chapter 1 General Provisions

Article 1 The Company is incorporated pursuant to the relevant regulations set forth in the Company Act with the name of SUNKO INK CO., LTD (hereinafter "the Company").

Article 2 The Company is engaged in the following business:

01. C301010 Yarn Spinning Mills
02. C801010 Basic Industrial Chemical Manufacturing
03. C801030 Precision Chemical Materials Manufacturing
04. C801060 Synthetic Rubber Manufacturing
05. C801100 Synthetic Resin & Plastic Manufacturing
06. C801110 Fertilizers Manufacturing
07. C801990 Other Chemical Materials Manufacturing
08. C802041 Western Medicines Manufacturing
09. C802070 Agro-Pesticides Manufacturing
10. C802080 Pesticides Manufacturing
11. C802100 Cosmetics Manufacturing
12. C802120 Industrial Catalyst Manufacturing
13. C802170 Poisonous Chemical Material Manufacturing
14. C802200 Paints, Varnishes, Lacquers, Dyeing Mills and Dyestuff Manufacturing
15. C802990 Other Chemical Products Manufacturing
16. C805010 Plastic Sheets, Pipes and Tubes Manufacturing
17. C805020 Plastic Sheets and Bags Manufacturing
18. C805030 Plastic Made Grocery Manufacturing
19. C805990 Other Plastic Products Manufacturing
20. F107010 Wholesale of Paints, Varnishes and Lacquers

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

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

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

Chapter 2 Capital Stock

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

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

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

Article 7 (Article Deleted)

Article 8 (Article Deleted)

Article 9 (Article Deleted)

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

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

Chapter 3 Shareholders' Meeting

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

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

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

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

Article 14 The chairman shall be the chairperson of the shareholders' meetings. In case the chairman is absent, he/she may designate one director to act as a proxy. In case where no designation of proxy is made, the Directors shall elect the chairperson amongst themselves.

Article 15 Except under the circumstances set forth in the Company Act, each shareholder shall be entitled one voting right for each share.

Article 16 The shareholders' meeting shall proceed exactly in accordance with the agenda unless changed by the shareholders' meeting.

Unless otherwise provided by the Company Act, a resolution shall be passed if it is agreed by the majority of the attending shareholders, and such attending shareholders shall present more than half of the number of shares issued.

Article 17 Pursuant to Article 183 of the Company Act.

Resolutions adopted by the Shareholders' Meeting shall be recorded in a meeting minute signed by or affixed with the personal seal of the chairman. The meeting minute shall be distributed to all the shareholders within 20 days after the shareholders' meeting.

The meeting minute shall contain information such as the time and venue of the meeting, name of the chairman of the meeting, and a summary and outcome of all proceedings of the meeting.

Chapter 4 Board of Directors

Article 18 The Company shall have five to nine Directors.

The term of office for Directors shall be three years and the Directors shall be eligible for re-elections.

The election of the Directors shall adopt the candidate nomination system. The shareholders shall elect the Directors from the list of candidates given by the Company.

Relevant matters of the professional qualification, nomination and election as well as other necessary requirements shall comply with the Company Act, Securities Exchange Act, and other relevant laws and regulations.

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

Article 18-1 Pursuant to Article 14-2 of the Securities Exchange Act, among the directors, there shall be no less than three Independent Directors. The number of Independent Directors shall be no less than one fifth of the directors.

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

Article 18-2 Pursuant to Article 14-4 of the Securities Exchange Act, the Company shall establish Audit Committee, consisting of all Independent Directors.

Duties and rules to abided by of the Audit Committee shall be conducted in accordance to the Company Act, the Securities Exchange Act, the Articles of Incorporation and other relevant laws and regulations.

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

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

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

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

Article 21-1 Directors of this Company are not restricted to the "non-compete clause" from Article 209 of the Company Act. This article is only applicable to Article 2-11 to 2-23 of the Articles of Incorporation. Also, one shall explain to the shareholders meeting about the contents of such action and obtain approvals from the shareholders.

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

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

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

Article 23-1 The Board meeting shall be convened at least once every three months. The notices of meeting shall indicate the subjects of the meeting and be delivered to all Directors seven days prior to the scheduled date. When urgent, a meeting may be convened at any time. The notices of meeting shall be sent by means of fax or email.

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

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

Article 25-1 Whether the Company makes profit or not, the Board shall give compensation to the directors who have performed their duties. The

Board is authorized to decide the compensation to directors according to his/her contribution to the operation and involvement in the operation of the Company, comparable to peers' levels.

Chapter 5 Managers and Personnel

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

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

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

Chapter 6 Accounting

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

(1) Business Report

(2) Financial Statements

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

Article 30 If the Company has profits in a fiscal year, it shall set aside 3% of the profits as employee bonuses and nor more than 1% of the profit as director compensation. However, if the Company has accumulated losses, it shall first reserve a certain amount for offsetting losses, then allocate for the employee bonuses and director compensation proportionally from the remaining amount.

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

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

Article 30-1 When allocating the earnings, the Corporation shall first estimate and reserve the taxes to be paid, offset its losses, set aside a legal capital reserve at 10% of the remaining earnings provided that the amount of accumulated legal capital reserve has not reached the amount of the paid-in capital of the Corporation, then set aside a special capital reserve in accordance with relevant laws or regulations or as requested by the authorities in charge. The Board shall submit proposals to the shareholders' meeting for resolution.

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

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

Chapter 7 Supplementary Provisions

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

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

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

The first amendment was made on 30 June 1975.

The second amendment was made on 18 May 1976.

The third amendment was made on 30 August 1977.

The fourth amendment was made on 10 November 1978.

The fifth amendment was made on 5 September 1980.

The sixth amendment was made on 14 October 1980.

The seventh amendment was made on 4 April 1981.

The eighth amendment was made on 2 August 1981.

The nineth amendment was made on 5 May 1985.

The tenth amendment was made on 19 June 1986.

The eleventh amendment was made on 30 June 1987.

The twelfth amendment was made on 15 August 1988.

The thirteenth amendment was made on 3 September 1989.

The fourteenth amendment was made on 17 October 1990.

The fifteenth amendment was made on 25 May 1991.

The sixteenth amendment was made on 27 June 1992.

The seventeenth amendment was made on 12 June 1993.

The eighteenth amendment was made on 14 May 1994.

The nineteenth amendment was made on 12 August 1994.

The twentieth amendment was made on 17 May 1995.

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

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

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

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

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

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

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

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

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

The thirtieth amendment was made on 15 June 2006.

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

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

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

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

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

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

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

Appendix 3

SUNKO INK CO., LTD

Shareholdings of all Directors

As of 12 April 2021

Title	Name	Number of Shares Held	Shareholding (%)
Chairman	KT Investment Company, Limited	10,209,010	5.40%
Director	Chiaoli Investment Company, Limited	6,503,902	3.44%
Director	Jung-Fu Hsiao	313,645	0.17%
Independent Director	Shih-Jen Li	0	0.00%
Independent Director	Yen-Chung Zou	0	0.00%
Independent Director	Yen-Ting Lin	0	0.00%
Shareholdings of all Directors		17,026,557	9.01%

Note:

The number of shares legally required to be held by all Directors: 11,339,714 shares.

The number of shares legally required to be held (as of 12 April 2021) by all Directors: 17,026,557 shares

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