



Sentien Printing Factory Co., Ltd.

**Annual General Shareholders' Meeting
Meeting Handbook
(Translation)**

Held in form of: Physical Shareholders Meeting

Meeting Date: June 27, 2023

Meeting Venue: The meeting room, No.31, Gongye 2nd Rd., Annan Dist., Tainan City

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Sentien Printing Factory Co., Ltd.

Procedure of 2022 Annual General Shareholders' Meeting

I 、 Call to Order

II 、 Chairman's Address

III 、 Report Items

IV 、 Proposed Resolutions

V 、 Election Items

VI 、 Other Matters

VII 、 Ad-hoc motion

VIII 、 Adjournment

Sentien Printing Factory Co., Ltd.

Agenda of 2023 Annual General Shareholders' Meeting

- I. Time and Date of Meeting : 10:00 a.m. on Tuesday, June 27 2023
- II. Place of Meeting : The meeting room, No.31, Gongye 2nd Rd., Annan Dist., Tainan City.
- III. Meeting Type : Physical meeting
- IV. Call to Order
- V. Chairman's Address
- VI. Report Items
 1. Business Report of year 2022
 2. Audit Committee's Review Report of year 2022
 3. Distribution of Employees' and Directors' Remuneration for the Year 2022
 4. Performance Evaluation and Remuneration of Directors and Managers of year 2022
 5. Distribution of Directors' Remuneration report of year 2022
 6. Dividend Distribution Table of year 2022
- VII. Proposed Resolutions
 1. Ratification of the 2022 Business Report and Financial Statements
 2. Proposal of the 2022 annual profit distribution plan
- VIII. Election items
 1. To elect 7 members of the Board of Directors. (Including 4 independent directors)
- IX. Other Matters
 1. To release the directors from non-competition restrictions.
- X. Ad-hoc motion
- XI. Adjournment

III 、 Report Items

1. Business report of 2022 **(Proposed by the Board of Directors)**

Explanatory Note : Please refer to Attachment 1, page 7~11, for 2022 Business Report.

2. Audit Committee's Review Report of year 2022 **(Proposed by the Board of Directors)**

Explanatory Note : Please refer to Attachment 2, page 12, for Audit Committee's Review Report.

3. Distribution of Employees' and Directors' Remuneration for the Year 2022 **(Proposed by the Board of Directors)**

Explanatory Note :

- (1). It is proposed to set aside NT\$9,300,000 as employees' compensation, and NT\$288,000 as directors' remuneration, all in cash.
- (2). Article 26 of the Company's Articles of Incorporation provides that If the Company has surplus earnings in a fiscal year, the Company must allocate more than 2% of profit(Company's profit before tax prior to the deduction of the distributable compensation of employees and directors for 2022 was NT\$35,974,215) as compensation to employees and less than NT\$500,000 of profit(Company's profit before tax prior to the deduction of the distributable compensation of employees and directors for 2022 was NT\$35,974,215) as compensation to directors. However, when the Company has accumulated losses, the Company shall allocate a portion or all of its reserves to cover such losses.
- (3). The foregoing amounts have been adopted by the Board of Directors and is hereby reported at the annual shareholders' meeting.
- (4). Distribution of Employees' and Directors' Remuneration for the Year 2022 was agreed by board of Directors by May10.

4. Performance Evaluation and Remuneration of Directors and Managers of year 2022 **(Proposed by the Board of Directors)**

Explanatory Note :

- (1). According to Article 4 of the Company's Remuneration Committee Charter, individual performance evaluation results of directors and managers should be disclosed in the annual report. Additionally, the relevance and rationality of the content and amount of individual salary remuneration and performance evaluation results should also be included in annual report along with presentation in shareholders' meeting.
- (2). Please refer to Attachment 5, page 21~22, for 2 Performance Evaluation and Remuneration of Directors and Managers of year 2022.

5. Distribution of Directors' Remuneration report of year 2022 **(Proposed by the Board of Directors)**

Explanatory Note :

- (1).Article 10 of the Company's Corporate Governance Best Practice Principles: the remuneration received by directors, including the remuneration policy, the content and amount of individual

remuneration, and the correlation with the performance evaluation results should all be presented in Shareholders' meeting.

- (2). Please refer to Attachment 6, page 23~24, for 2022 remuneration paid to individual directors report.

6. Dividend Distribution Table of year 2022

(Proposed by the Board of Directors)

Explanatory Note :

- (1). The Board of Directors is authorized to decide the distribution of cash dividend and report the decision to the shareholders meeting in accordance with Article 27 of the Articles of Incorporation. Cash dividend amounting to NT\$ 22,319,412 were distributed to shareholders at NT\$0.61 per share. Matters related to the base date of cash dividend distribution, date of closure of account transfer, date of distribution, etc., have been authorized by the board of directors to be fully handled by the chairman of the board of directors.
- (2) If the total number of outstanding shares of the company is affected by factors such as the company's repurchase of treasury shares, the board of directors has authorized the chairman to adjust the dividend ratio.
- (3) Cash dividends were rounded to the nearest whole number. The total amount of cash dividends less than NT\$1 will be recognized as the "Other income" of the Company.

IV 、 Proposed Resolutions

1. Ratification of the 2022 Business Report and Financial Statements

(Proposed by the Board of Directors)

Explanatory Note :

- (1). Sentien's 2022 Business Report and Financial Statements have been reviewed by the Audit Committee and approved by the Board of Directors. The financial statements have been audited by KPMG Taiwan with an unqualified opinion issued.
- (2). Sentien's 2022 Business Report, Independent Auditors' Report and Financial Statements are attached hereto as Attachment 1 on page 7 ~11 and Attachment 3 & 4 on page 13~20.
- (3) Please approve.

Resolution:

2. Proposal on the 2022 annual profit distribution plan

(Proposed by the Board of Directors)

Explanatory Note :

- (1). Please see below for the 2022 Earnings Distribution Proposal as Attachment 7 on page 25.
- (2). Later, when the distribution ratio needs to be adjusted due to changes in laws or adjustments by competent authorities, or the company's repurchase of company shares that affects the number of outstanding shares and other factors, the board of directors has authorized the chairman to adjust the distribution ratio and other related matters.
- (3) Please approve.

Resolution:

V 、 Election items

1. To elect 7 members of the Board of Directors. (Including 4 independent directors) **(Proposed by the Board of Directors)**

Explanatory Note :

- (1) The term of directors of the 13th Board will be expired on June 22, 2022. The company proposes to re-elect 7 directors (including 4 independent directors) at Annual Shareholders' Meeting. The term of the newly elected directors is three years, from June 27,112 to June 26,115. The outgoing directors will resign on the day the new directors on board.
- (2) According to the Articles of Association, the election of directors adopts the candidate nomination system and adopts the single-register accumulative voting method. Shareholders should elect from the list of director candidates. The list of director candidates (including independent directors) and their information are shown in attachment. (Please refer to Attachment 8 on page 26~27).
- (3) Please vote.

Election results :

VI 、 Other Matters

1. Release the Prohibition on the New directors, Independent directors and their legal representatives from Participation in Competitive Business **(Proposed by the Board of Directors)**

Explanatory Note :

- (1) According to the Art. 209. of the Company Act, the director who acts for himself or on behalf of other person that is within the scope of the company business shall explain to shareholders its essential contents to obtain the approval.
- (2) In view of the fact that the new directors or their representatives may act as directors in other companies with same or familiar business scope simultaneously, it is proposed to release the prohibition on the new directors and their legal representatives from participation in competitive business in accordance with the Art. 209. of the Company Act.
- (3) The proposal to lift the non-compete prohibition on directors and their representatives with contents as follows:

Titles	Names	Position of other companies and job titles
Corporate Director	YI SIN Investment Co., Ltd.	SHAO WEI Investment Co., Ltd. Director
Legal person director representative	JHANG-SHAN, HUANG	YONG EN Investment Co., Ltd. Chairman YI SIN Investment Co., Ltd. Chairman
Corporate Director	SHAO WEI Investment Co., Ltd.	YI SIN Investment Co., Ltd. Director
Legal person director representative	JHAN-LONG, HUANG	YOU SHENG Investment Co., Ltd. Chairman SHAO WEI Investment Co., Ltd. Chairman

Titles	Names	Position of other companies and job titles
Independent director	LING-LING, LI	CHUNG HUNG STEEL CORPORATION Independent Director
Independent director	HUEI-LING, FANG	TOPOWER CO., LTD. Independent Director SHEH FUNG SCREWS CO., LTD. Independent Director JUNG SHING WIRE CO., LTD. Independent Director
Independent director	YU-CHENG, CHEN	SUNSPRING METAL CORPORATION Independent Director TAIWAN SAKURA CORPORATION Independent Director

Resolution:

VII 、 Ad-hoc motion

VIII 、 Meeting Adjourned

Business report

I 、 Operating Results for 2022

(I) Results of Business Plan

Unit: NTD Thousand

	2022		2021	
	amount	%	amount	%
Revenue	1,045,210	100	1,127,821	100
Gross Profit	191,060	18	318,762	28
Operating Expenses	261,850	25	257,221	23
Non-operating income and expenses	97,176	10	(12,387)	(1)
Profit before income tax	26,386	3	49,154	4
Income tax expense	4,012	-	7,279	1
Net profit	22,374	3	41,875	3
Other comprehensive income	3,717	-	387	-
Total comprehensive income	26,091	3	42,262	3

Due to inflation and the Ukraine-Russia conflict, the global industry remains sluggish, causing a decrease in the willingness of the NB market to consume, resulting in a rise in inventory levels. As a result, the company's revenue decreased by 7% in 2022 compared to 2021. The increasing cost of environmental protection caused the gross profit margin to decrease by 10% in 2022. Additionally, the significant increase in air freight led to a 2% rise in the operating expense ratio. However, the appreciation of the US dollar generated significant exchange benefits, making the net interest rate in 2022 comparable to that in 2021.

(II) Budget implementation: The Company has not disclosed the financial forecasts for the year of 2021.

(III) Analysis of Financial Revenue and Expenditure and Profitability:

1. Financial revenue and expenditure

Unit: NTD Thousand

	2022	2021
Cash flow from operating activities	268,532	239,938
Cash flow from investing activities	(684,082)	(92,526)
Cash flow from financing activities	(21,196)	(165,375)
The number of exchange rate effects	(192)	(3,626)
Increase (decrease) in cash and cash equivalents	(436,938)	(21,589)
Cash and cash equivalents at the beginning of year	535,491	557,080
Cash and cash equivalents at the end of year	98,553	535,491

Analyze:

(1) The operating cash inflow in 2022 increased compared to 2021, mainly due to the remaining unpaid other accounts payable that were estimated.

- (2) The cash outflow from investment activities in 2022 increased compared to 2021, mainly due to the transfer of financial assets measured at amortized cost for fixed deposits exceeding three months.
- (3) The cash outflow from financing activities in 2022 decreased compared to 2021, mainly due to the repayment of short-term loans and a decrease in cash dividends paid.

2. Profitability analysis

year		2022	2021
item			
Return on Assets (%)		1.18	2.15
Return on equity (%)		1.49	2.76
Ratio to paid-in capital (%)	Operating Income	-19.34	16.81
	Net Income before Tax	7.21	13.43
Net Profit Margin(%)		2.14	3.71
Basic Earnings Per Share (NT\$)		0.61	1.14

Analyze:

- (1) The asset turnover ratio and return on equity decreased, mainly due to a decrease in profit in 2022 compared to 2021.
- (2) The ratio of operating profit and pretax net income to paid-in capital decreased, mainly due to an increase in costs and expenses in 2022 resulting in decreased profits.
- (3) The net profit margin and earnings per share decreased, mainly due to a decrease in operating income and profit in 2022 compared to the previous year.

(IV). Research Development Status:

In 2022, the company faced significant challenges due to various factors such as the harsh impact of war, energy, inflation, and ESG requirement, as well as the heavy market pressure faced by the customer base of its main product, NB-IMR. To address these challenges, the company's R&D team has implemented multiple measures, including quick model switching for rapid production, reducing paint and ink waste, lowering VOC emissions to meet environmental protection requirements, developing diverse and multifunctional IMR films, and developing surface printing products other than NB.

To respond to the current situation, our R&D and manufacturing teams have completed the development of various materials and processes, as detailed below: Firstly, we have categorized and established rules for using multiple materials to reduce waste and increase recycling efforts, thereby contributing to sustainability and environmental protection. Secondly, our diversified and multifunctional IMR surface designs can now quickly switch between different levels of haze films. Among them, we are most proud of our ultra-matte, low-fingerprint adherence film and super-smooth surface IMR products, which can be applied to NB and home appliances. Thirdly, we have established rules for using brittle materials to reduce film scraps and improve production yields. Fourthly, in the field of functional films, we have extended the antibacterial (*E. coli*/*Staphylococcus aureus*) film to antiviral films (with testing completed for H3N2, H1N1, and COVID-19 in 2022), and we plan to further develop and produce antiviral films in 2023.

In 2023, non-NB surface printing products will be the most important R&D project. The project consists of several major items, including: 1) different designs for household appliances, such as silky touch, ultra-matte, bright matte, and embossed; 2) adhesive and IMR automotive interior products with different levels of matte; and 3)

electroplated or micro-embossed automotive interior products with texture. We expect these R&D projects to gradually upgrade from small-scale production to mature mass production in 2024. By diversifying our customer base, reducing our reliance on NB main products, increasing film ASP, and enhancing the penetration rate of non-NB products, we aim to consolidate our business advantage.

II · Summary of Business Plan for 2023

(I). Business Policy:

1. Attracting talented personnel and maximizing employee value.
2. Strengthening quality control to reduce product defect rates.
3. Providing a diversified range of products to meet customer demands.
4. Lowering production costs and increasing competitiveness in pricing.
5. Developing new products for use in different objects.
6. Actively exploring overseas markets and promoting global productization.
7. Establishing sound financial structures to adapt to the international situation.

(II). Sales Volume Forecast and Its Basis

The sudden outbreak of the pandemic not only changed human lifestyles but also affected the entire industry ecosystem. Since the pandemic broke out in 2020, people have had a new definition for the use of laptops. It is not just a shift from working in an office environment to an online and video conference mode, but even going to school every day has become attending classes through distance learning at home. This rapid transformation has also led to a reverse growth trend in laptop sales over the past few years. Sales have grown at an astonishing rate of around 20% each year since 2020. However, as countries gradually loosen their pandemic prevention policies and border controls, coupled with laptops experiencing two consecutive years of high growth, the sales bonus brought by the pandemic to the industry officially came to an end in 2022. In the second half of the year, product sales experienced a sharp decline, and various brands' marketing strategies have changed from actively preparing for stockpiling to prioritizing reducing inventory levels. This trend is expected to continue until the first half of 2023. At that time, it will still be necessary to observe the overall inventory levels and economic recovery situation to confirm whether the new industry norm has gradually stabilized after experiencing this supply-demand reversal impact.

According to the latest research report from DIGITIMES RESEARCH, after a decline of over 20% in 2022, global NB sales are expected to experience only a slight decline of 5.2% in 2023 and regain growth momentum in 2024. In the long term, NB sales are projected to reach around 200 million units, which means that after weathering the pandemic storm, the NB industry's scale will grow from sales of only about 150-160 million units to nearly 200 million units, providing more opportunities for development projects.

Our company entered the automotive supply chain in 2020. In the initial stage, due to the impact of the pandemic and material shortages, many car manufacturers had to suspend production or delay production, which also affected the progress of our company's promotion of automotive-related products. However, it is expected that the material shortage situation in the automotive industry will improve significantly in 2023, and overall automotive sales will gradually recover. Therefore, we expect better opportunities for application and development in the automotive products segment.

(III). Important production and marketing policies

More than 136 countries worldwide have declared their goal of achieving net-zero carbon emissions by 2050, and the EU will also implement a carbon border adjustment mechanism in 2027. This represents a growing global

emphasis on environmental issues. Our company was one of the earliest members of the Taiwan Climate Alliance when it was established, and we hope to gradually meet the environmental requirements and goals of countries around the world, under the leadership of leading companies in various industries in Taiwan. Our promoted spray-free coating process provides a more environmentally friendly option compared to spray coating processes in this era of rising environmental awareness. This process can meet the needs of designers for product appearance and reduce pollution at the same time. In addition, our company will continue to focus on the research and development of printing films, including various special films such as thermal transfer films, in-mold transfer films, and INS, and continuously expand their functionality. Ultimately, we will combine these products with related environmental technologies, further explore the possibility of recycling and reusing various materials, and use recycled materials to produce them, becoming an environmentally conscious professional film manufacturer.

III · Future Development Strategy

Our company has been dedicated to the production and manufacturing of films, constantly improving our film printing technology. In the early days, we could only print and produce according to the appearance of the product designed by the customer, without the ability to participate in product design discussions or material development and planning. To solve this problem, we established a CMF team and a material research and development unit, hoping to collaborate with brand customers' design teams in the early stages of product design and development to discuss and test related ideas and validations, helping brand customers achieve their product goals.

After years of product development and continuous large-scale production, we have accumulated various core technological experiences, and we now have the ability to develop innovative and integrated products. We currently have sufficient research and material development capabilities to jointly develop new products with brand customers. This not only helps brand customers achieve their product goals but also integrates the development of new products that best meet market demand. This development strategy will increase the dependence between brand customers and our company, and provide more confidence in handling orders while working together on the next generation of new product development.

Currently, in addition to the NB industry, our company will gradually enter other consumer electronic product fields such as automotive/home appliances, realizing a cross-industry development strategy.

IV · The Company's development strategies in the future will be influenced by the external competitive environment, regulatory environment and overall business environment:

In recent years, changes in the global political landscape have had a significant impact on industries and supply chain systems. Whether it is the US-China competition or the Russia-Ukraine conflict, they have caused inflation and changed many people's consumption patterns. Due to changes in geopolitical conditions, global business strategies are no longer applicable. Companies are no longer making mainland China their production center but are instead expanding overseas, adopting the "China +1" strategy to reduce supply chain risks. This trend has also spread to the notebook (NB) industry. Ju Teng GROUP is one of the largest manufacturers of NB cases and announced its investment plan in Vietnam two years ago. The company held related briefings to invite related supply chain manufacturers to set up factories locally and strengthen the NB industry's supply chain. It has now been confirmed that some models will begin production in the Vietnamese factory this year and will be delivered to local ODM and brand customers. With Ju Teng GROUP's leadership, it is believed that more manufacturers will establish new production bases in Southeast Asia in the future.

IMR process is a highly automated production method, and its modularization and low manpower requirements make it an ideal choice for institutions to quickly transfer production bases. Our company will continue to strengthen the professional skills and service training of overseas personnel to quickly respond to institutional clients' expansion plans in various regions. At the same time, our company will also use this opportunity of dispatching technical services to seek other possible cooperation opportunities locally, and it is expected that there will be more opportunities for business promotion in the future.

In terms of environmental regulations and related issues, Taiwan's regulations for the emissions of volatile organic compounds (VOCs) and waste disposal have become increasingly strict. Compared to the past, the regulations require more stringency and greater expenditures. Our company will continue to fully cooperate with the government's requirements and regulations. Meanwhile, due to the fermentation of environmental issues, consumer markets around the world have been developing various environmentally-related product development projects. These projects include the use of recycled materials and the promotion of carbon reduction methods. Compared to the spray coating process, the in-mold decoration process that our company promotes has indeed provided more opportunities for product development. In addition, we have collaborated with brand customers to verify the feasibility of using recycled materials and key materials for repeated use in material development. Ultimately, our company hopes that such non-spray coating processes can become one of the win-win process methods that balance both design appearance requirements and compliance with environmental regulations. We believe that these efforts will eventually bear sweet fruits.

Sentien Printing Factory Co., Ltd.

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2021 Business Report, Financial Statements and proposal for allocation of earnings. The CPA firm of KPMG was retained to audit Sentien Printing Factory Corporation's Financial Statements and has issued an audit report with unqualified opinion relating to the Financial Statements.

The Business Report, Financial Statements, and earnings allocation proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of Sentien Printing Factory Corporation. According to the Securities and Exchange Act and the Company Act, we hereby submit this report.

Chairman of the Audit Committee: HUEI-LING, FANG

May 10, 2023

Independent Auditors' Report

To the Board of Directors of Sentien Printing Factory Corporation:

Opinion

We have audited the financial statements of Sentien Printing Factory Corporation ("the Company"), which comprise the balance sheets as of December 31, 2022 and 2021, the statements of comprehensive income, changes in equity, and cash flows for the years ended December 31, 2022, and 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and its cash flows for the years ended December 31, 2022 and 2021 by the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"). Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

We conducted our audits by the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the 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 code of professional ethics in the Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code according to the audit evidence we have obtained which is sufficient and appropriate to provide a basis of our opinion.

Emphasis of Matter

As stated in Note 9(c) of the financial report, on October 27th, 2022, Sentien was investigated by the Seventh Special Police Corps and the Environmental Protection Administration of the Executive Yuan regarding matters related to the Air Pollution Control Act. The investigation is currently under the investigative stage, and the Company has already adopted administrative remedies from 2022Q4. Our conclusion was not amended in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. 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.

The key audit matter identified in the audit of the Group's consolidated financial statements as of and for the year ended December 31, 2022, is as follows.

1. Recognition and measurement of air pollution control fees payable

Please refer details of recognition and measurement of air pollution control fees payable in Note 4(k). For the accounting estimates and uncertainties related to the recognition and measurement of payables for air pollution control fees, please refer to Note 5(a). Further information related with the recognition and measurement of air pollution control fees payable can be found in Note 6(i) and Note 9(c) of the financial report.

Description of key audit matter:

The Company's recognition and measurement of air pollution control fees payable are estimated by the management based on the investigation conducted by the competent authority for air pollution control. However, the final amount can only be determined after the case concluded. Therefore, the recognition and measurement of air pollution control fees payable are one of important matters for the auditor to perform the financial report audit of the Company.

How the matter was audited in our audit

The main audit procedures for the above-mentioned key audit matter includes understanding the investigation status of the competent authority for air pollution prevention as of the audit report date, reviewing the correspondence and relevant board meeting records with the competent authority regarding the pending case, and evaluating whether the disclosure of the company's air pollution control fees payables is appropriate.

2. Inventory valuation

For the accounting policies of inventories, please refer to Note 4 (g); For the accounting estimates and assumptions uncertainty of inventory evaluation, please refer to Note 5(b); For the description of the inventory evaluation, please refer to Note 6 (e).

Description of key audit matter:

The inventory of the Company is measured by the lower cost and net realizable value. The company's product orders and sales prices are deeply affected by the fluctuations in the notebook computer market. Sales of related products may fluctuate drastically, so there is a risk that the cost of the inventory may exceed its net realizable value. Therefore, the inventory evaluation is considered as one of our key audit matters.

How the matter was addressed in our audit

The main audit procedures performed by the auditor on the key audit matter mentioned above included examining the inventory aging report and analyzing the reasonableness of changes in inventory aging. We also obtained the inventory valuation details to understand the net realizable value estimated by management for inventory valuation and performed sampling procedures to verify the accuracy of the inventory aging report and net realizable value details. In addition, we evaluated whether the disclosure made by management regarding inventory valuation was appropriate.

3. Recognition and measurement of refund liabilities

For the accounting policies for the recognition and measurement of refund liabilities, please refer to Note 4 (k); For the uncertainty of accounting estimates and assumptions for the recognition and measurement of refund liabilities, please refer to Note 5 (c); For the description of the recognition and measurement of refund liabilities, please refer to Note 6 (j) and (p).

Description of key audit matter:

The recognition and measurement of the company's refund liabilities are subjective judgments made by the management based on historical sales returns and discount data and industry characteristics. Therefore, the recognition of refund liabilities and measurement is one of the important evaluation matters for the accountant to perform the audit of the company's financial report.

How the matter was addressed in our audit

The main audit procedures for the above key audit matter include understanding the methods used by management to estimate the number of refund liabilities and the sources of data used and reviewing the accuracy of historical estimation of refund liabilities and comparison with the current period to see if the current valuation method is reasonable. In addition, to evaluate

the disclosure of information related to the refund liability is appropriate.

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

Management is responsible for the preparation and fair presentation of the financial statements following Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, IFRC, SIC vendor and sed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Sentien's ability to continue as a going concern, disclosing, as applicable, matters related to going concern the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has a realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 following audit 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 based on financial statement of an audit following auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. 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 the individual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Hui- Yuan Chen and Chen- Lung Hsu.

KPMG

Tainan, Taiwan (the Republic of China)

March 23, 2023

Notes to Readers

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

The independent auditors' report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and financial statements, the Chinese version shall prevail.

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31,2022		December 31,2021		Liabilities and Equity		December 31,2022		December 31,2021	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a))	\$ 98,553	5	535,491	27	2100	Short-term borrowings (note 6(h),(v) and 8)	\$ 4,779	-	-	-
1140	Financial assets at amortized cost— current (note 6(b))	585,083	29	-	-	2170	Trade payables	75,607	4	130,869	7
1150	Notes receivable, net (note 6(c) and (p))	1,947	-	1,807	-	2200	Other payables (note 6(i) and 7)	225,550	11	104,663	5
1170	Trade receivables, net (notes 6(c) and (p))	360,562	18	450,091	23	2213	Payable on machinery and equipment	35,175	2	53,951	3
1200	Other receivable (note 6(d))	7,837	1	8,945	-	2230	Current tax liabilities	16,596	1	6,010	-
1310	Inventories (note 6(e))	129,164	6	148,024	8	2257	Current refund liabilities (note 6(j) and (p))	12,630	-	23,700	1
1410	Prepayments	5,210	-	5,862	-	2280	Current lease liabilities (note 6(k) and (v))	1,595	-	149,654	8
1476	Other financial assets — current (note 8)	7,620	-	22,322	1	2300	Other current liabilities (note 6(p))	291	-	227	-
Total current assets		<u>1,195,976</u>	<u>59</u>	<u>1,172,542</u>	<u>59</u>	Total current liabilities		<u>367,223</u>	<u>18</u>	<u>469,074</u>	<u>24</u>
Non-current assets:						Non-Current liabilities:					
1600	Property, plant and equipment (notes 6(f),8 and 9)	793,404	39	630,266	32	2540	Long-term loans (note 6(h),(v) and 8)	145,800	7	-	-
1755	Right-of-use assets (note 6(g))	2,393	-	161,547	8	2570	Deferred tax liabilities (note 6(w))	9,727	-	9,727	-
1840	Deferred tax assets (note 6(m))	30,984	2	18,806	1	2580	Non-current lease liabilities (note 6(k) and (v))	709	-	1,315	-
1900	Other non-current assets (notes 6(f))	5,259	-	4,720	-	2640	Net defined benefit liability — non-current (notes 6(l))	13,965	1	18,184	1
1920	Guarantee deposits paid	2,528	-	2,372	-	Total non-current liabilities		<u>170,201</u>	<u>8</u>	<u>29,226</u>	<u>1</u>
1980	Other financial assets — non-current (note 8)	3,470	-	500	-	Total liabilities		<u>537,424</u>	<u>26</u>	<u>498,300</u>	<u>25</u>
Total non-current assets		<u>838,038</u>	<u>41</u>	<u>818,211</u>	<u>41</u>	Equity attributable to owners of the company (notes 6(h)):					
						3110	Capital stock	365,892	18	365,892	19
						3210	Capital surplus, additional paid-in capital	324,441	16	324,441	16
						3300	Retained earnings:				
						3310	Legal reserve	169,572	9	165,346	8
						3350	Unappropriated retained earnings	636,685	31	636,774	32
								<u>806,257</u>	<u>40</u>	<u>802,120</u>	<u>40</u>
						Total equity		<u>1,496,590</u>	<u>74</u>	<u>1,492,453</u>	<u>75</u>
Total assets		<u>\$ 2,034,014</u>	<u>100</u>	<u>1,990,753</u>	<u>100</u>	Total liabilities and equity		<u>\$ 2,034,014</u>	<u>100</u>	<u>1,990,753</u>	<u>100</u>

SENTIEN PRINTING FACTORY CORPORATION

Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

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

	2022		2021	
	Amount	%	Amount	%
4000 Operating revenue (note 6(j),(p))	\$ 1,045,210	100	1,127,821	100
5000 Operating costs (notes 6(e)(k)(l)(g),9 and 12)	854,150	82	809,059	72
5900 Gross profit	191,060	18	318,762	28
6000 Operating expenses (notes 6(k)(l)(g), 7 and 12):				
6100 Selling and marketing expenses	157,054	15	156,213	14
6200 General and administrative expenses	51,818	5	48,650	4
6300 Research and development expenses	52,978	5	52,358	5
	261,850	25	257,221	23
6900 Operating income	(70,790)	(7)	61,541	5
7000 Non-operating income and expenses:				
7020 Other gains and losses (notes 6(r))	90,001	9	(13,350)	(1)
7050 Finance costs (notes 6(k),(r))	(1,907)	-	(2,130)	-
7100 Interest income	9,082	1	3,093	-
	97,176	10	(12,387)	(1)
7900 Profit before income tax	26,386	3	49,154	4
7950 Less: income tax expenses (notes 6(m))	4,012	-	7,279	1
8200 Net profit	22,374	3	41,875	3
8300 Other comprehensive income (notes 6(l)(m)):				
8310 Item that will not be reclassified subsequently to profit or loss:				
8311 Remeasurements of the defined benefit plans	4,646	-	483	-
8399 Less: income tax related to components of other comprehensive income that will not be reclassified to profit or loss	929	-	96	-
8300 Other comprehensive income (after tax)	3,717	-	387	-
8500 Total comprehensive income	26,091	3	42,262	3
Earnings per share (in dollars), after tax (note 6(o))				
9750 Basic earnings per share	\$	0.61	\$	1.14
9850 Diluted earnings per share	\$	0.60	\$	1.13

Statements of Comprehensive Income

(English Translation of Financial Statements Originally Issued in Chinese)

SENTIEN PRINTING FACTORY CORPORATION

Statement of Changes in Equity

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	<u>Capital stock</u>	<u>Capital surplus</u>	<u>Legal reserve</u>	<u>Retained earnings</u> <u>Unappropriated earnings</u>	<u>Total equity</u>
Balance at January 1, 2021	\$ 365,892	324,441	148,868	702,463	1,541,664
Net Profit	-	-	-	41,875	41,875
Other comprehensive income	-	-	-	387	387
Total comprehensive income	-	-	-	42,262	42,262
Appropriation of 2020 earnings in 2021:					
Legal reserve	-	-	16,478	(16,478)	-
Cash dividends	-	-	-	(91,473)	(91,473)
Balance at December 31, 2021	<u>365,892</u>	<u>324,441</u>	<u>165,346</u>	<u>636,774</u>	<u>1,492,453</u>
Net Profit	-	-	-	22,374	22,374
Other comprehensive income	-	-	-	3,717	3,717
Total comprehensive income	-	-	-	26,091	26,091
Appropriation of 2021 earnings in 2022:					
Legal reserve	-	-	4,226	(4,226)	-
Cash dividends	-	-	-	(21,954)	(21,954)
Balance at December 31, 2022	<u>\$ 365,892</u>	<u>324,441</u>	<u>169,572</u>	<u>636,685</u>	<u>1,496,590</u>

Statement of Changes in Equity

SENTIEN PRINTING FACTORY CORPORATION

Statement of Cash Flows

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash flows from (used in) operating activities:		
Profit before tax	\$ 26,386	49,154
Adjustments:		
Adjustments to reconcile profit / loss:		
Depreciation expenses	87,471	84,272
Amortization expenses	1,465	1,364
Interest expense	1,907	2,130
Interest income	(9,082)	(3,093)
Loss (gain) on disposal of property, plant and equipment	169	(377)
Provision (reversal) for refund liabilities	(11,070)	8,700
Unrealized foreign exchange losses	547	3,955
Total adjustments to reconcile profit / loss	<u>71,407</u>	<u>96,951</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in notes receivable	(140)	1,169
Decrease in trade receivables	88,582	76,076
Decrease in other receivable	3,017	1,192
Decrease in inventories	18,860	21,456
Decrease (increase) in prepayments	652	(412)
Decrease in other operating assets	412	634
Total changes in operating assets	<u>111,383</u>	<u>100,115</u>
Changes in operating liabilities:		
Increase (decrease) in trade payables	(55,714)	9,365
Increase in other payables	115,814	7,676
Increase (decrease) in other current liabilities	64	(416)
Increase in defined benefit liability	427	504
Total changes in operating liabilities	<u>60,591</u>	<u>17,129</u>
Net changes in operating assets and liabilities	<u>171,974</u>	<u>117,244</u>
Cash generated from operations	269,767	263,349
Interest received	7,173	3,064
Interest paid	(1,875)	(2,178)
Income tax paid	(6,533)	(24,297)
Net cash generated from operating activities	<u>268,532</u>	<u>239,938</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at amortized cost	(635,238)	-
Proceeds from financial assets at amortized cost	51,154	-
(Increase) decrease in other financial assets — current	14,702	(36)
Acquisition of property, plant and equipment	(111,816)	(92,872)
Proceeds from disposal of property, plant and equipment	706	379
Increase in other financial assets — non-current	(2,970)	-
Decrease (increase) in refundable deposits	(156)	3
Increase in other non-current assets	(464)	-
Net cash used in investing activities	<u>(684,082)</u>	<u>(92,526)</u>
Cash flows from (used in) financing activities:		
Proceeds from short-term borrowings	119,648	110,542
Repayments of short-term borrowings	(114,984)	(174,267)
Proceeds from long-term borrowings	145,800	-
Payment of lease liabilities	(149,706)	(10,177)
Cash dividends	(21,954)	(91,473)
Net cash used in financing activities	<u>(21,196)</u>	<u>(165,375)</u>
Effects of exchange rate changes on balance of cash held in foreign currencies	<u>(192)</u>	<u>(3,626)</u>
Net increase (decrease) in cash and cash equivalents	<u>(436,938)</u>	<u>(21,589)</u>
Cash and cash equivalents at the beginning of year	<u>535,491</u>	<u>557,080</u>
Cash and cash equivalents at the end of year	<u>\$ 98,553</u>	<u>535,491</u>

Performance Evaluation and Remuneration of Directors and Managers of year 2022

1、Director Performance Evaluation Results

- (1) In order to implement corporate governance and enhance the function of the board of directors, the company has established the "Director Performance Evaluation Method" and conducts at least one board of director performance evaluation every year.
- (2) The results of the director performance evaluation are as follows:
 - 1) Evaluation methods: Board of director performance evaluation, individual director performance evaluation, and functional committee performance evaluation.
 - 2) Evaluation aspects:
 - A. Board of director performance evaluation: Includes five aspects: participation in company operations, improving the quality of board decisions, composition and structure of the board, director selection and continuous education, and internal control.
 - B. Individual director performance evaluation: Includes six aspects: understanding company goals and tasks, awareness of director responsibilities, participation in company operations, internal relationship management and communication, director's expertise and continuous education, and internal control.
 - C. Functional committee performance evaluation: Includes five aspects: participation in company operations, understanding of functional committee responsibilities, improving the quality of functional committee decisions, composition and member selection of functional committees, and internal control.
 - 3) Evaluation period: From January 1, 2022 to December 31, 2022.
 - 4) Evaluation results:
 - A. Board of director performance evaluation: The total percentage score of all directors for the five aspects ranged from 93.33% to 95.92%, with a total average of 94.35%, which meets the requirements of corporate governance.
 - B. Individual director performance evaluation: The total percentage score of all directors for the six aspects ranged from 93.33% to 96.19%, with a total average of 94.29%, which meets the requirements of corporate governance.
 - C. Functional committee performance evaluation: The total percentage score of all directors for the five aspects ranged from 86.67% to 91.67%, with a total average of 90.00%, which meets the requirements of corporate governance.

2、Manager Performance Evaluation Results

- (1) In order to implement corporate governance, enhance the company's competitiveness, and ensure that managers can assist the company in achieving long-term business goals and strategies in daily operations, the company has established the "Performance Appraisal Management Measures" and conducts performance evaluations every six months.
- (2) The results of the manager performance evaluation are as follows:
 - 1) Evaluation Method: Company performance evaluation management.
 - 2) Evaluation aspects: Including "Core Functions", "Management Functions", "Professional

Functions", "KPI", and other aspects.

3) Evaluation period: From January 1, 2022 to December 31, 2022.

4) Evaluation results: There is a positive correlation between the manager's annual performance, contribution, overall business performance, and individual bonuses and compensation, which is reasonable.

3、Disclosure of individual performance evaluation results and individual salary content and amount of directors and managers in the annual report, as well as the relationship and rationality between the performance evaluation results.

(1) Establishment of Compensation Committee

To assist the Board of Directors in formulating and regularly reviewing the performance evaluation standards, annual and long-term performance goals, and policies, institutional standards, and structures of remuneration and compensation for directors and managers. Regularly evaluate the achievement of performance goals of directors and managers, and based on the evaluation results obtained from the performance evaluation standards, determine the content and amount of their individual compensation.

(2) Directors

Director remuneration includes meeting attendance fees (internal and external directors), director compensation (internal directors), basic salary (external directors), job allowance (external directors), and bonuses (external directors). Director compensation is stipulated in the company's articles of association: not exceeding NT\$500,000.

(3) Managers

Manager remuneration includes fixed salary, bonuses, and employee compensation. Salaries are based on the manager's qualifications, position, and responsibilities. Bonuses and employee compensation are based on the company's operational performance, individual annual performance, position held, time invested, personal contribution, recent levels of compensation, and industry standards.

In summary, the remuneration for directors and managers paid by the company is in compliance with the above regulations and is supervised by the Compensation Committee and the Board of Directors, and is positively correlated with the company's business performance.

Distribution of Directors' Remuneration report of year 2022

1、The policies, systems, standards and structure of remuneration payments for general directors and independent directors of the Company, and the correlation between the amount of remuneration and the amount of remuneration according to factors such as responsibilities, risks and investment time:

- (1). In accordance with Article 21 of the articles of association of the company, when the directors of the company perform the duties of the company, regardless of the company's operating profit or loss, the company may pay remuneration, and the remuneration is authorized by the board of directors to be agreed upon by the board of directors according to the degree of participation in the company's operation and the value of its contribution, and with reference to the level of peers;
- (2). The remuneration of directors of the Company differs between outside directors and internal directors (employees or appointed managers). Outside directors receive a fixed monthly salary and a fixed annual bonus; Although internal directors may allocate director's remuneration based on Article 26 of the bylaws, which allows for the distribution of profits not exceeding NTD 500,000 for the current fiscal year., they have been paid monthly (5 thousand yuan ~ 8 thousand yuan) * number of months in service since the beginning of the payment.
- (3). All directors shall be paid a fixed amount according to the type of meeting attended.
- (4). If an internal director who is an employee of the Company or an appointed manager, the severance payment shall be paid in accordance with the Labor Base Law and the Company's "Management Measures for the Withdrawal of Appointed Manager". If you are an outside director, there is no severance pay.
- (5). The salaries and bonuses of internal directors who are employees or appointed managers of the Company shall be paid in accordance with the provisions of the Company's "Manager Remuneration Management Measures". The salary structure of managers is divided into fixed salary and variable salary, and the fixed salary is the monthly salary, including salary, meal allowance, supervisor allowance, professional allowance, living allowance, etc.; Variable salary includes year-end bonus, employee remuneration, hard work bonus, performance bonus, etc., and the evaluation criteria are as follows:
 - A. Year-end bonus: according to the company's operating performance, personal annual performance, position, time invested, personal contribution, level received in recent years, and the level of peers, it will be paid for 2~15 months, and will be paid before the Lunar New Year every year.
 - B. Employee remuneration: The total amount of payment is calculated according to the following formula: Based on the financial report profit of the accountant visa for the current year, the total amount of payment is estimated:
The manager's total employee remuneration for the current year (A) = the total remuneration of all employees in the current year × B %.
The total remuneration of employees for the current year shall be paid at a rate of not less than 2% of the profit made for the year in accordance with Article 26 of the Articles of Association of the Company
B % is determined by the chairman and general manager in the range of 25%~45%.
The remuneration of individual employees of managers is paid in August every year, taking into account the company's profits, personal annual performance, positions, time invested, personal contribution, etc.
 - C. Hardship bonus: In order to motivate employee morale and comfort employees' hard work, if the employee cannot be paid due to poor profit in the current year, the company will pay the bonus according to the situation.
 - D. Performance bonus: When the revenue increases significantly, the company may pay a bonus according to the operation situation.

The above-mentioned relevant bonus payment amount, the performance appraisal status of the manager and the reasonableness of salary and remuneration are reviewed by the Remuneration Committee and the Board of Directors, and reviewed in a timely manner according to the actual business situation and relevant laws and regulations.

2、Details of remuneration of directors (including independent directors)

單位：新台幣仟元

Job title	Name	Remuneration to directors								Sum of A+B+C+D and ratio to net income (Note 10)	Remuneration received by directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income	Remuneration received from investee enterprises other than subsidiaries or from the parent company				
		Base compensation (A)		Retirement pay and pension (B)		Director profit sharing compensation (C)		Expenses and perquisites(D)			The Company	All consolidated entities (note)	Salary, rewards, and special disbursements (E)		Retirement pay and pension (F)		Employee profit-sharing compensation (G)				The Company	All consolidated entities (note)		
		The Company	All consolidated entities (note)	The Company	All consolidated entities (note)	The Company	All consolidated entities (note)	The Company	All consolidated entities (note)				The Company	All consolidated entities (note)	The Company	All consolidated entities (note)	The Company						All consolidated entities (note)	
																	Amount in cash	Amount in stock					Amount in cash	Amount in stock
Chairman	Representative of YI SIN Investment Co., Ltd.: JHANG-SHAN, HUANG	2,587	0	75	0	96	0	28	0	12.45	0	0	0	0	0	0	0	0	0	12.45	0	None		
Director	Representative of SHAO WEI Investment Co., Ltd.: JHAN-LONG, HUANG	0	0	0	0	96	0	25	0	0.54	0	2,119	0	57	0	395	0	0	0	12.03	0	None		
Director	JUN-XIONG, CHEN	0	0	0	0	96	0	28	0	0.55	0	2,040	0	70	0	368	0	0	0	11.63	0	None		
Director	HUI-XIONG, CHEN	272	0	0	0	0	0	28	0	1.34	0	0	0	0	0	0	0	0	0	1.34	0	None		
Independent Director	HUEI-LING, FANG	332	0	0	0	0	0	49	0	1.70	0	0	0	0	0	0	0	0	0	1.70	0	None		
Independent Director	LING-LING, LEE	272	0	0	0	0	0	49	0	1.44	0	0	0	0	0	0	0	0	0	1.44	0	None		
Independent Director	JIA-BIN, CHEN	224	0	0	0	0	0	49	0	1.22	0	0	0	0	0	0	0	0	0	1.22	0	None		
Total		3,687	0	75	0	288	0	256	0	19.24	0	4,159	0	127	0	763	0	0	0	41.81	0			

Note : 1. the policy, system, standards and structure in place for paying remuneration to directors and describe the relationship of factors such as the duties and risks undertaken and time invested by the directors to the amount of remuneration paid :
 In accordance with Article 21 of the articles of association of the company, when the directors of the company perform the duties of the company, regardless of the company's operating profit or loss, the company may pay remuneration, and the remuneration is authorized by the board of directors to be agreed upon by the board of directors according to the degree of participation in the company's operation and the value of its contribution, and with reference to the level of peers.
 2. In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities /invested enterprises):None.
 3. The company has no consolidated statements.

Sentien Printing Factory Co., Ltd.
2022 Statement of Surplus Distribution

Unit: NTD

Item	Amount
Undistributed earnings at the beginning of the period	\$ 610,593,956
Add: 2022 net income after tax	22,373,955
2022 due to remeasurement of defined benefit plan.	3,716,678
Distributable earnings	636,684,589
Distribution/Compensation:	
Legal reserve	(2,609,063)
Cash dividends ---NT\$0.61 per share	(22,319,412)
Undistributed earnings at the end of the period	\$ 611,756,114

Sentien Printing Factory Co., Ltd.

Election of Directors

Position	Name	No. of Shares Held	Educational Background	Experience	Current Position	Whether the Director Has Been Elected as the Independent Director for Three Consecutive Terms / Reason
Director	Representative of YI SIN Investment Co., Ltd.: JHANG-SHAN, HUANG	4,112,400	Bachelor degree in Chemistry from National Sun Yat-sen University	Chairman of Sentien Printing Factory Co., Ltd. Chairman of YONG EN Investment Co., Ltd. Chairman of YI SIN Investment Co., Ltd.	Chairman of Sentien Printing Factory Co., Ltd. Chairman of YONG EN Investment Co., Ltd. Chairman of YI SIN Investment Co., Ltd.	NA
Director	Representative of SHAO WEI Investment Co., Ltd.: JHAN-LONG, HUANG	4,112,400	Bachelor degree in Electronic Engineering from Kun Shan University	Director of Senzhan Enterprise Co., Ltd.	President of Sentien Printing Factory Co., Ltd. Chairman of YOU SHENG Investment Co., Ltd. Chairman of SHAO WEI Investment Co., Ltd.	NA
Director	JUN-XIONG, CHEN	100,960	Bachelor degree in Civil Engineering from Chung Yuan Christian University	Team leader of NEW ASIA CONSTRUCTION & DEVELOPMENT CORP.	Assistant Manager of Sentien Printing Factory Co., Ltd.	NA
Independent Director	HUEI-LING, FANG	2,000	Bachelor degree in Accounting from National Cheng Kung University	CPA, KPMG TAIWAN.	·Independent Director & Member of Remuneration Committee, TOPOWER CO.,LTD. ·Independent Director & Member of Remuneration Committee, Sheh Fung Screws Co.,Ltd ·Independent Director & Member of Remuneration Committee, JUNG SHING WIRE CO.,LTD.	No.
Independent	LING-LING, LEE	0	Master of Law, National Taiwan University	·Executive Supervisor of The Taiwan Bar Association. ·President of Legal Aid Foundation	·Partner-in-Charge, Ling-Yun Attorneys-At-Law ·Independent Director & Member of	No.

Position	Name	No. of Shares Held	Educational Background	Experience	Current Position	Whether the Director Has Been Elected as the Independent Director for Three Consecutive Terms / Reason
Director				Kaohsiung Branch.	Remuneration Committee, China Steel Corporation	
Independent Director	JIA-BIN, CHEN	10,000	PhD in Finance, University of Kentucky	·Professor of National Chung Hsing University Department of Business and Professional Master Program of Agricultural Business Management. ·CEO of National Chung Hsing University Executive Master of Business Administration	Professor of National Chung Hsing University Department of Business Administration	No.
Independent Director	YU-CHENG, CHEN	0	Ph.D. In Accounting, National Chengchi University	·Professor & Chairperson, Department of Finance, National Chung Hsing University ·Chairperson, Department of Accounting, Providence University ·Independent Director, Tachia Yung Ho Machine Industry Co., Ltd. ·Independent Director, Da Fon Environmental Technology Co., Ltd. ·Independent Director, Grand Bills Finance Corp.	·Professor, Department of Finance, National Chung Hsing University ·Independent Director & Member of Remuneration Committee, Taiwan Sakura Corporation ·Independent Director & Member of Remuneration Committee, Sunspring Metal Corp.	No.

Rule of Procedures for Shareholders' Meeting

- Article 1** To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Rules Governing the Conduct of Shareholders Meetings by Public Companies.
- Article 2** The rules of procedures for shareholders' meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.
- Article 3** Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.
- Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.
- For the convening of the general meeting of shareholders, the meeting agenda shall be prepared, and a notice to convene a regular meeting of shareholders shall be given to each shareholder no later than 30 days prior to the scheduled meeting date. In case a public company intends to convene a special meeting of shareholders, a meeting notice shall be given to each shareholders no later than 15 days prior to the scheduled meeting date.
- This Corporate shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:
1. For physical shareholders meetings, to be distributed on-site at the meeting.
 2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
 3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.
- The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.
- Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.
- Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.
- A shareholder holding one percent or more of the total number of issued shares may submit to this Corporation a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.
- Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.
- Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.
- Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.
- Article 4** For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.
- A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before five days before the date of the shareholders meeting.

When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

If, after a proxy form is delivered to this Corporation, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to this Corporation two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5

The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders meeting.

Article 6

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

This Corporation shall furnish the attending shareholders or the proxy appointed by the shareholder (hereinafter referred to as the shareholder) with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

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

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

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

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

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

Article 6-1

To convene a virtual shareholders meeting, this Corporation shall include the follow particulars in the shareholders meeting notice:

How shareholders attend the virtual meeting and exercise their rights.

Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:

To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.

Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.

In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.

To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.

Article 7

If a shareholders meeting is convened by the board of directors, the chairperson should preside in person and attended by a majority of the directors, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair.

When a director serves as chair, as referred to in the preceding paragraph, the director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

Article 8

This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity. Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

Article 9

This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

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

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

Article 10

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

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 6.

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

Article 11

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party

with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote.

Article 12

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

Article 13

Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 14

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

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

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

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

Article 15

Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.

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

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

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

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

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

When this Corporation convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

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

Article 16

The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the names of directors not elected and number of votes they received.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 17

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

This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of this Corporation.

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

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

Article 18

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 19

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 20

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

Article 21

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

Article 22

In the event of a virtual shareholders meeting, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

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

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

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

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

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

When postponing or resuming a meeting according to the first paragraph, this Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder

Services of Public Companies, this Corporations hall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the first paragraph.

Article 23

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

Article 24

The Rules shall come into force upon the adoption by the shareholders' meeting. The same shall apply to the amendment hereof.

Procedures for Election of Directors

- Article 1 To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 2 The election of the directors of the Company shall be held at the shareholders' meeting ; Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.
- Article 3 The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:
- Basic requirements and values: Gender, age, nationality, and culture.
- Professional knowledge and skills:A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.
- Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:
- The ability to make judgments about operations.
- Accounting and financial analysis ability.
- Business management ability.
- Crisis management ability.
- Knowledge of the industry.
- An international market perspective.
- Leadership ability.
- Decision-making ability.
- More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.
- The board of directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.
- Article 4 The company selects professionals to serve as independent directors according to the characteristics of the industry and the needs of the staged development vision , The qualifications for the independent directors of this Corporation shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.
- The election of independent directors of this Corporation shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 5 Elections of directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.
- When the number of directors falls below five due to the dismissal of a director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.
- When the number of independent directors falls below that 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 en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.
- Article 6 The cumulative voting method shall be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.
- Article 7 The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

- Article 8 The number of directors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
- Article 9 Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.
- Article 10 A ballot is invalid under any of the following circumstances:
1.The ballot was not prepared by a person with the right to convene.
2.A blank ballot is placed in the ballot box.
3.The writing is unclear and indecipherable or has been altered.
4.The candidate whose name is entered in the ballot does not conform to the director candidate list.
5.Other words or marks are entered in addition to the number of voting rights allotted.
- Article 11 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.
The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.
- Article 12 The board of directors of this Corporation shall issue notifications to the persons elected as directors.
- Article 13 These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

Sentien Printing Factory Co., Ltd.

Articles of Incorporation

Chapter 1	General Rules
Article 1	The Company shall be incorporated under the Company Act and its name shall be “Sentien Printing Factory Co., Ltd.” (hereafter referred to as “the Company”).
Article 2	The scope of business of the Company shall be as follows: <ol style="list-style-type: none"> 1. C701010 Printing 2. C702010 Plate Making Industry 3. CC01110 Computer and Peripheral Equipment Manufacturing 4. CC01990 ther Electrical Engineering and Electronic Machinery Equipment Manufacturing 5. C805030 Plastic Daily Necessities Manufacturing 6. C805050 Industrial Plastic Products Manufacturing 7. F107190 Wholesale of Plastic Films and Bags 8. F113020 Wholesale of Household Appliance 9. F113990 Wholesale of Other Machinery and Tools 10. F401010 International Trade 11. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval
Article 2-1	The Company may provide extenal guarantees.
Article 3	The Company may conduct re-investment(s) in other businesses for its business needs, the re-investment total amount shall not exceed 40% of its paid-in capital.
Article 4	The Company establishes in Tainan City, when it is considered necessary through resolution of the board of directors meeting, branch companies may be established in other domestic and foreign locations.
Article 5	The Company’s public notices shall be pursuant to Article 28 of the Company Act.
Chapter 2	Shares
Article 6	The Company’s share capital is rated at NTD Four Hundred and Fifty Million, divided into Forty-Five Million shares, and the amount per share is set at NT\$10. Unissued shares may be issued in separate installments based on resolutions of the meetings of the Board of Directors.
Article 7	The stock certificates of the Company shall be registered and stated the matters listed in Article 162 of the Company Law and issued after being signed or sealed by Directors representing the Company and after being authenticated which is competent to certify shares under the laws. After the Company’s shares are listed, it is not necessary for the Company to print the stock certificates, provided that it shall be registered at a central custody of securities.
Article 8	Registration for share transfer shall be suspended within sixty days prior to each ordinary shareholders' meeting, thirty days prior to each extraordinary shareholders' meeting, or five days prior to any record date for distribution of dividends or other interests as determined by the Company.
Chapter 3	Shareholders’ Meeting
Article 9	Shareholders’ meetings are divided into tow categories: general shareholders’ meetings and special shareholders’ meetings. General shareholders’ meetings shall be convened once a year within 6 months from the end of each fiscal year. Special shareholders’ meetings may be convened in accordance with laws. If a shareholders meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairperson of the Board of Directors. When the Chairperson by reason of leave or otherwise is unable to exercise such power of office, the Chairperson shall designate a Director as chair of the meeting, failing which the Directors shall select one

of their number to chair the meeting.

If a shareholders' meeting is convened by any person, other than the Board of Directors, entitled to convene such a meeting, the meeting shall be chaired by that person. If the meeting is convened by two or more such persons, they shall select one of their number to chair the meeting.

Article 10 All shareholders shall be informed of the date, location and reasons of convention thirty days before the convention of an ordinary shareholders' meeting, and fifteen days before the convention of an extraordinary shareholders' meeting.

Article 11 Shareholder(s) who has (have) held more than one percent (1%) of the total amount of the issued and outstanding shares of the Company may submit a written motion for a regular Meeting to the Company. However, each of such shareholders can only submit one (1) motion.

The relevant operations shall be handled in accordance with the Company Act and the relevant laws.

Article 12 Any shareholder who cannot attend a shareholders meeting for any reason may issue a proxy printed by the Company, specifying the scope of authorization, to appoint one person to attend the meeting on the shareholder's behalf. Rules of proxies for shareholders meeting shall be in accordance with the Company Act and the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.

Article 13 Each shareholder of the Company shall be entitled to one vote for each share held, except when the shares are deemed non-voting shares under Article 179 Paragraph 2 of the company law, which may be exercised.

Article 14 Unless otherwise provided for by law, a resolution of a shareholders' meeting shall be adopted by a majority vote of the shareholders who are present at the meeting and represent more than half of the total number of issued shares.

Article 15 Any proposal to cancel the public listing status of the Company's shares shall be subject to shareholder resolution. This clause shall not be revised during the listing period in the Stock Exchange or the Over-the-Counter Market.

Article 16 The resolutions of the shareholders meeting shall be recorded in the meeting minutes signed or sealed with the chop of the chairperson and distributed to the shareholders each within 20 days after the meeting. The service of the meeting minutes shall be handled in accordance with the Company Act.

Chapter 4 Director

Article 17 The Company has 5 to 9 directors, to be elected from persons with legal capacities by the shareholders meeting. Directors shall serve terms of three (3) years. The same person may be re-elected upon expiry of the term. Directors of the company shall be elected under the candidate nomination system, the Board of Directors of the Company or a shareholder of the Company holding at least one percent (1%) of the total number of the outstanding shares issued by the Company may submit to the Company a roster of the director candidates, upon evaluation by the board of directors that all candidates so nominated are qualified director candidates, submit it to the shareholders' meeting for elections.

The election of directors of the Company shall adopt the single-name cumulative voting system, the number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates.

If it is necessary to amend the election system, the amendments to the election system shall be listed in a comparison table with the reason of convening the shareholders' meeting in addition to handling in accordance with the provision of Article 172 of the Company Act.

When the legal person is a shareholder, its representative can also be elected as a director. When there are several representatives, they can be elected separately, owing to the change of his/her functional duties, be replaced by a person to be authorized by the company so as to fulfill the unexpired term of office of the predecessor.

In case no election of new directors is effected after expiration of the term of office of existing directors, unless otherwise provided for by law, the term of office of out-going directors shall be extended until the

time new directors have been elected and assumed their office.

The Corporation may obtain liability insurance for directors with respect to liabilities resulting from exercising their duties for all Directors of the Corporation to protect the rights and interests of shareholders and reduce the operational risk of the Corporation.

After the company's public offering of shares, the total shareholding of the Company held by all Directors shall be handled in accordance with the regulations of the security's regulatory authorities.

Article 18

After the company's public offering of shares, the Company shall have among the aforementioned directors, at least two independent directors, and the number of independent directors shall be no less than one-fifth of the total number of the directors. the independent directors shall be elected from among the nominees listed in the roster of director candidates.

Compliance matters with respect to independent directors shall comply with the regulations of the competent securities authority.

The audit committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be committee convenor, and at least one of whom shall have accounting or financial expertise.

Organization, authority of office, rules and procedures of meetings and other matters to be complied with of the Company's Audit Committee shall be in conformity with the requirements of the competent authority.

Article 19

The board of directors shall elect a chairperson from among themselves by a majority vote at a meeting attended by over two-thirds of the directors, the chairperson shall externally represent the Company and take charge of important matters.

In the event that the Chairperson is absent or unable to exercise his/her authority, the Board of Directors shall designate one Director acting for him/her in accordance with Article 208 of Company Act.

Article 20

Each director shall attend the meeting of the board of directors in person. If directors can not attend in person, he/she shall to appoint one person to attend the meeting of the board of directors according to Article 205 of the Company Act. If the meeting of the Board of Directors is held by videoconference, the directors who participate in the meeting by videoconference shall be deemed to be present in person.

A Director may authorize another Director to attend the meeting on his/her behalf by presenting a written authorization indicating the scope of authorization. Each Director may be authorized to attend a meeting by only one another Director.

A director residing in a foreign country may appoint in writing a shareholder residing in the national territory as his/her proxy to attend the meetings of the board of directors on a regular basis.

Appointment of the proxy in accordance with the provisions of the preceding Paragraph shall be registered with the competent authority; and this requirement shall also apply to the change of the proxy.

Article 21

The Corporation may offer remuneration to all Directors for exercising their duties of the Corporation irrespective of whether the Corporation operate at a profit or loss. The Board of Directors is authorized to determine the remuneration for the Directors, taking into account the extent of their involvement in the operation of the Corporation, the value of their contribution, and the standards of the industry.

Article 22

Unless otherwise provided by the Company Act, a meeting of the Board of Directors may be held if attended by a majority of total Directors and resolutions shall be adopted by the majority of the Directors present at the meeting.

Article 23

Meetings of the Board of Directors shall be convened upon written notice mailed to all the other Directors, at least 7 days, unless in case of urgent circumstances, prior to the date of the meeting, specifying the agenda. Notices of meetings may be sent in writing, via e-mail or by fax.

Chapter 5

Managerial Officers

Article 24

The Company may have a number of managerial officers, and the appointment, discharge and the remuneration of the managerial officers shall be handled according to Article 29 of the Company Act.

Chapter 6

Account

- Article 25 The general final account of the Company is performed once for each fiscal year, and the date of December 31 shall be the final account date.
At the end of each fiscal year, according to Article 228 of the Company Act, the board of directors of the Company shall prepare the following statements and reports, followed by submitting to the regular shareholders meeting to request for ratification.
- Article 26 If the Company has surplus earnings in a fiscal year, the Company may allocate no less than 2% of profit as compensation to employees and no more than NT\$ 500,000 as compensation to directors. However, when the Company has accumulated losses, the Company shall allocate a portion or all of its reserves to cover such losses.
- Article 27 If there is any profit in an annual general financial statement, the Corporation shall set aside 10% of the profits as legal reserve after reserving the taxes and dues to be paid and the losses in previous years to be covered. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply. Allocate special reserve based on the operational need of the Corporation and the laws & regulations. The remaining profits and the retained earnings from previous years will be allocated as distributable profits. The Board of Directors will prepare a distribution proposal and submit the same to the shareholders' meeting for review and approval by a resolution. The amount of shareholders' bonus shall not be less than 30% of current year surplus of the Company.
Shareholder dividends are distributed in the form of stock dividends and cash dividends, of which cash dividends are 100% to 50%, and stock dividends are 0% to 50%. For the distribution of cash dividends (including the distribution of capital reserves and statutory surplus reserves in cash in accordance with Article 241 of the Company Law), the board of directors shall be authorized to issue dividends after a special resolution, and shall be reported to the shareholders' meeting. If stock dividends are issued, they must be distributed after a special resolution of the shareholders' meeting.
- Article 28 For any matters not specified in this Article of Incorporation, such matters shall be handled according to the regulations of the Company Act and relevant laws.
- Article 29 These Articles of Incorporation were established on a August 24, 1972, and were amended on:
(1) June 25, 1976 (2) April 2, 1987 (3) August 31, 1998
(4) October 1, 1998 (5) November 10, 1998 (6) November 2, 2001
(7) October 13, 2003 (8) December 31, 2003 (9) September 1, 2004
(10) August 19, 2005 (11) November 23, 2007 (12) August 18, 2008
(13) February 27, 2009 (14) June 30, 2009 (15) June 25, 2010
(16) June 22, 2011 (17) June 20, 2012 (18) June 19, 2013
(19) June 25, 2015 (20) June 24, 2016 (21) June 25, 2019
(22) June 28, 2022

Sentien Printing Factory Co., Ltd.

Shareholdings by the Company's Directors

Book closure date: April 29, 2023

As of the book closure date of the Shareholders' Meeting, the Company's Directors, whose number of shares are cataloged in the Register of Shareholders, is as below:

Title	Name	Shares	%
Chairman	Representative of YI SIN Investment Co., Ltd.: JHANG-SHAN, HUANG	4,112,400	11.24
Director	Representative of SHAO WEI Investment Co., Ltd.: JHAN-LONG, HUANG	4,112,400	11.24
Director	JUN-XIONG, CHEN	100,960	0.28
Director	HUI-XIONG, CHEN	0	0
Independent Director	HUEI-LING, FANG	2,000	0.01
Independent Director	LING-LING, LEE	10,000	0.03
Independent Director	JIA-BIN, CHEN	0	0