Reference Material

for the 11th Annual General Meeting of Shareholders

Date: March 31, 2026 (Tuesday), 10:00 AM KST

Venue: Daewoong Management Development Institute, HRD Center, 2F Lecture Hall

SOLUM CO., LTD.

DISCLAIMER

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Letter from the Board of Directors

Dear Shareholders,

On behalf of the Board of Directors of SOLUM CO., LTD., we cordially invite you to participate in the 11th Annual General Meeting of Shareholders, scheduled to be held on March 31, 2026.

The Board of Directors recognizes that sustainable enhancement of long-term corporate and shareholder value stands as its foremost responsibility. To this end, the Board makes decisions through a comprehensive assessment of factors that extend beyond short term financial performance, encompassing structural shifts in the industry, medium to long term growth prospects, financial stability, and global competitiveness.

Driven by the structural growth of its ICT business, centered on Electronic Shelf Labels (ESL), the Company has maintained double-digit compound annual revenue growth since 2018. Within the global ESL market, the top four players command approximately 85 percent of total market share, and SOLUM has secured a firm position among these leaders. The ESL business is expected to sustain robust growth over the medium to long term, supported by industry mega trends including labor cost optimization, omnichannel expansion, and accelerating demand for AI- and IoT-based retail automation.

At the same time, the Board has consistently pursued a portfolio diversification strategy into non-ESL segments such as electronic components, server power solutions, EV solutions, and digital signage, with the goal of mitigating concentration risk and securing long term revenue stability. In particular, power solutions for AI servers and hyperscale data centers, as well as EV power modules, are emerging as new growth engines aligned with the anticipated surge in power demand.

Since 2020, the Company has focused on strengthening ESL competitiveness, expanding its global production and sales infrastructure, and advancing technology sophistication. As a result, revenue growth has been accompanied by improved medium to long-term earnings visibility. As of the end of FY2025, the Company's financial structure has shown a stabilizing trend, with net debt ratio continuing to improve. The Board believes this demonstrates that the capital allocation policy, premised on sustainable growth, is operating effectively.

Looking ahead, the Board remains committed to creating sustainable corporate value through the structural growth of the ESL business, phased expansion of non-ESL operations, and reinforcement of global competitiveness. We are dedicated to ensuring that these outcomes are returned to shareholders over the long term through responsible decision making.

We sincerely appreciate your continued trust and support.

Respectfully,

Joon-sang Kim

Independent Director

SOLUM CO., LTD.

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Proposal Summary and Board Recommendations

The Board of Directors requests that shareholders vote FOR all Board proposed resolutions and vote AGAINST the shareholder proposal.

Agenda Item	Proposed By	Status	Board Recommendation
Proposal 1: Approval of FY2025 Financial Statements, Consolidated Financial Statements, and Retained Earnings Appropriation Statement (Cash dividend: KRW 75 per common share, avg KRW 451 per preferred share)	Board		**FOR**
Proposal 2: Approval of Capital Reserve Reduction (KRW 10 billion)	Board		**FOR**
Proposal 3: Partial Amendments to the Articles of Incorporation			
3-1-1: Change of Company Website Address	Board		**FOR**
3-1-2: Addition of AGM Attendance Method	Board		**FOR**
3-1-3: Electronic Document as Proof of Proxy Authority	Board		**FOR**
3-1-4: Renaming Outside Director to Independent Director	Board		**FOR**
3-1-5: Amendment to the Independent Director Majority Requirement	Board		**FOR**
3-1-6: Establishment of Mandatory Board Committees	Board		**FOR**
3-1-7: Establishment of Independent Director Candidate Nomination Provision	Board		**FOR**
3-2-1: Mandatory Electronic Voting (Shareholder Proposal)	Minority Shareholder		**AGAINST**

	Coalition		
Proposal 4-1: Independent Director Seo Young-jae	Board	New	**FOR**
Proposal 4-2: Independent Director Na Young-ho	Board	New	**FOR**
Proposal 4-3: Executive Director Seo Bo-il	Board	New	**FOR**
Proposal 5-1: Standing Auditor Lim Sung-yeol	Board	New	**FOR**
Proposal 6: Approval of Director Remuneration Limit (KRW 7B, unchanged)	Board		**FOR**
Proposal 7: Approval of Auditor Remuneration Limit (KRW 300M, unchanged)	Board		**FOR**

If Proposal 3-1-6 is rejected, Proposal 3-1-7 will be automatically withdrawn.

Proposal 1: Approval of FY2025 Financial Statements, Consolidated Financial Statements, and Retained Earnings Appropriation Statement

The Board of Directors requests shareholders to vote FOR this proposal.

Summary Consolidated Income Statement

(KRW millions)	FY2025	FY2024	YoY	Key Commentary
Revenue	1,700,246	1,594,442	+6.6%	Revenue increased by 6.6% year-on-year, on the back of steady demand across core business segments and an expanded customer base. However, operating profit and net income declined by 32.7% and 62.4%, respectively, as key SG&A expenses, including personnel costs and depreciation rose, reflecting investments in global talent acquisition and capacity expansion for productivity improvement. These cost increases include strategic investments intended to strengthen medium to long term competitiveness.
Operating Profit	46,500	69,087	-32.7%	
Net Income	14,187	37,688	-62.4%	

Summary Consolidated Balance Sheet

(KRW millions)	FY2025	FY2024	YoY	Key Commentary
Total Assets	1,276,521	982,731	+29.9%	The Company issued redeemable convertible preferred shares for facility investments and global capability enhancement, resulting in an increased in cash and cash equivalents, along with a partial increase in inventories.
Total Liabilities	713,750	548,378	+30.2%	Borrowings (new debt) and trade payables (raw materials)

				increased.
Total Equity	562,771	434,353	+29.6%	Equity increased primarily due to the issuance of redeemable convertible preferred shares.

Retained Earnings Appropriation Statement (Proposed)

(KRW millions)	FY2025	FY2024	Key Commentary
Retained Earnings Appropriation	145,767	186,671	Decreased due to the cancellation of treasury shares amounting to KRW 42 billion.

This is the first time since the Company's founding that a cash dividend has been proposed at the Annual General Meeting. The Company plans to progressively increase its payout ratio going forward.

Proposal 2: Approval of Capital Reserve Reduction

The Board of Directors requests shareholders to vote FOR this proposal.

Item	Details
Proposal Title	Approval of Capital Reserve Reduction
Summary	As the total amount of capital reserves and legal earned reserves accumulated by SOLUM CO., LTD. exceeds 1.5 times the stated capital, the Company proposes to reduce KRW 10 billion from the share premium (a component of capital reserves) within the allowable excess amount and transfer the reduced amount to retained earnings, to be utilized as a source for dividends, in accordance with Article 461-2 of the Korean Commercial Act.
Expected Benefits	Tax exempt dividend income for individual shareholders and corporate tax exemption for institutional shareholders.

Rationale for Board Recommendation (FOR)

As of the end of FY2025, the Company's capital reserves stand at KRW 133 billion, exceeding 1.5 times the stated capital of KRW 28.1 billion. The Company proposes to reduce KRW 10 billion from the share premium to transfer it to retained earnings in order to enhance shareholder returns through a flexible capital distribution policy.

The in retained earnings resulting from this reduction may be utilized as a future dividend source. Notably, since dividends paid from reduced capital reserves qualify as tax-exempt distributions, this measure enhances the effectiveness of shareholder returns. The Company is pursuing this reduction to secure additional resources for the expansion of shareholder-friendly dividend policies going forward.

Proposal 3: Partial Amendments to the Articles of Incorporation

The Board requests shareholders to vote FOR all Board proposed amendments (3-1-1 through 3-1-7) and to vote AGAINST the shareholder proposed amendment (3-2-1).

Proposal 3-1-1: Change of Company Website Address

Board Recommendation: FOR

Provision	Current	Proposed
Article 4 (Method of Public Notices)	Public notices of this company shall be notified on the company's webpage (http://www.solu-m.com). [excerpt]	Public notices of the company shall be notified on the company's webpage (http://www.solum-group.com). [excerpt]

Purpose: To reflect the updated Company website address in the Articles of Incorporation.

Proposal 3-1-2: Addition of AGM Attendance Method

Board Recommendation: FOR

Provision	Current	Proposed
Article 17-3 (Meeting Location and Method of Convening)	The shareholders' meeting shall be held at the company's headquarters, but it may also be held in nearby areas if necessary. 2) <New>	The shareholders' meeting shall be held at the company's headquarters, but it may also be held in nearby areas if necessary. 2) On the date of the meeting, the company shall convene the meeting in a manner that allows shareholders to attend in person at the meeting venue.

Purpose: To reflect recent revisions to the Korean Commercial Act and to ensure clarity regarding in-person attendance at shareholders' meetings, thereby safeguarding direct shareholder participation and reinforcing the fairness of meeting proceedings.

Proposal 3-1-3: Addition of Electronic Document as Proof of Proxy Authority

Board Recommendation: FOR

Provision	Current	Proposed
Article 20 (Exercise of Voting Rights by	A shareholder may exercise their voting rights through a proxy. In such cases, the proxy must submit a	A shareholder may exercise their voting rights through a proxy. In such cases, the proxy must submit a

Proxy)	document evidencing their authority to act as a proxy before voting at the shareholders' meeting.	document evidencing their authority to act as a proxy, either in writing or in electronic form, before voting at the shareholders' meeting.

Purpose: To enable proxy authority verification through electronic documents in addition to paper submissions, thereby enhancing convenience for shareholders and improving the efficiency of meeting administration in alignment with the evolving digital environment.

Proposal 3-1-4: Renaming of Outside Director to Independent Director

Board Recommendation: FOR

Provision	Current	Proposed
Article 22 (Number of Directors and Auditors)	1) The company shall have up to 7 directors, of which at least 1/4 shall be outside directors, and may have up to 2 auditors. 2) If the number of outside directors falls below the requirement due to resignation, death, or other reasons, an outside director shall be appointed at the first shareholders' meeting convened after the occurrence of such an event to meet the required composition of the Board of Directors.	1) The company shall have up to 7 directors, of which at least 1/2 shall be independent directors, and may have up to 2 auditors. 2) If the number of independent directors falls below the requirement due to resignation, death, or other reasons, an independent director shall be appointed at the first shareholders' meeting convened after the occurrence of such an event to meet the required composition of the Board of Directors.
Article 25-3 (Limitation of Liability for Directors)	1) By ordinary resolution of the general shareholders' meeting, the liability of directors under Article 399 of the Commercial Act may be exempted for amounts exceeding six times the director's compensation (including bonuses and gains from the exercise of stock options) from the preceding year (three times in the case of outside directors). 2) [excerpt]	1) By ordinary resolution of the general shareholders' meeting, the liability of directors under Article 399 of the Commercial Act may be exempted for amounts exceeding six times the director's compensation (including bonuses and gains from the exercise of stock options) from the preceding year (three times in the case of independent directors). 2) [excerpt]

Purpose: To align with the revised Korean Commercial Act by changing the designation from "Outside Director" to Independent Director throughout the Articles of Incorporation.

Proposal 3-1-5: Independent Director Majority Requirement on the Board

Board Recommendation: FOR

Provision	Current	Proposed
Article 22 (Number of Directors and Auditors)	The company shall have up to 7 directors, of which at least 1/4 shall be outside directors, and may have up to 2 auditors.	The company shall have up to 7 directors, of which at least 1/2 independent directors, and may have up to 2 auditors.

Purpose: The Company seeks to establish a governance structure that meets global standards by elevating the proportion of independent directors to a majority of the Board, exceeding the statutory minimum. The 2025 amendments to the Korean Commercial Act raised the mandatory ratio from one-quarter to one third. The Company is proactively advancing beyond this legislative requirement, enabling independent directors to exercise more robust checks and balances in Board decision making. This amendment is intended to strengthen the protection of shareholder and stakeholder interests and contribute to long term enhancement of corporate value.

Proposal 3-1-6: Establishment of Mandatory Board Committees

Board Recommendation: FOR

Provision	Current	Proposed
Article 29-2 (Committees within the Board of Directors)	1) The Board of Directors may, by resolution, establish the following committees within the Board: 1. Audit Committee 2. Management Committee 3. Executive Committee 4. Compensation Committee 5. Committee for Nominating Outside Directors 6. Committee for Recommending Audit Committee Members 7. Risk Management Committee 8. Other committees as deemed necessary by the Board of Directors 2) The detailed matters regarding the composition, authority, and operation of each committee shall be determined by a resolution of the Board of Directors. 3) [excerpt]	1) The Board of Directors may, by resolution, establish the following committees within the Board:: 1. through 3. (Same as current) 4. (Deleted) 5. (Deleted) 6. through 8. (Same as current) 2) The Company shall establish the following committees within the Board of Directors: 1. Independent Director Nomination Committee 2. Evaluation and Compensation Committee 3. Internal Transaction Committee 3) The detailed matters regarding the composition, authority, and operation of each committee shall be determined by the Board of Directors. Provided, however, that each committee set forth in Subparagraph 2) above shall be composed of no fewer than three and no more than four independent directors.

		4) (Same as current Paragraph 3) 5) The Internal Transaction Committee shall review and approve transactions to access their appropriateness and enhance transparency, including transactions falling under the prohibition of misuse of corporate opportunities and assets under the Commercial Act, transactions with directors, major shareholders, or other related parties, transactions involving or for the benefit of affiliates, and transactions with group companies.

Purpose: The Company seeks to substantively strengthen the expertise and independence of the Board and elevate the transparency of key management decision making systems to global standards by reorganizing the committee framework within the Board. To this end, the Independent Director Nomination Committee, the Compensation Committee, and the Related Party Transaction Committee will be established as mandatory bodies under the Articles of Incorporation, with each committee composed primarily of independent directors to secure genuine independence and effective checks and balances.

First, the Independent Director Nomination Committee will strengthen the fairness and transparency of the director candidate identification and recommendation process, ensuring that professionals who are independent from specific interests are able to participate on the Board.

Second, the Compensation Committee will conduct objective and rational reviews of management performance assessments and compensation structures, thereby establishing accountable management and contributing to long-term enhancement of corporate value.

Third, the Related Party Transaction Committee will review and approve transactions between affiliates and interested parties in advance, securing transaction fairness and transparency and preventing potential conflicts of interest, thereby protecting shareholder rights.

By operating key committees with independent directors at their core, the objectivity and transparency of Board decision-making can be substantially strengthened, which is expected to enhance the credibility of the Company's governance structure, provide robust protection for the rights of shareholders and stakeholders, and serve as the foundation for sustainable enhancement of corporate value. Accordingly, the Board determines that this proposal constitutes an essential measure for the advancement of the Company's governance practices.

Proposal 3-1-7: New Provision for Independent Director Candidate Nomination

Board Recommendation: FOR

If Proposal 3-1-6 is rejected, this proposal will be automatically withdrawn.

Provision	Current	Proposed

Article 29-3 (Recommendation of Independent Director Candidates)	[New]	1) The Independent Director Nomination Committee shall recommend candidatewho meet the qualifications prescribed by the Commercial Act and other applicable laws and regulations. 2) The Committee shall determine the detailed procedures for the recommendation and qualification review of independent director candidates.

Purpose: This provision stipulates that the Independent Director Nomination Committee shall recommend independent director candidates from among individuals who meet the qualification requirements prescribed by applicable laws, and that the Committee shall independently determine the detailed criteria and procedures for candidate recommendation and qualification review. The intent is to institutionally strengthen the fairness and transparency of the director nomination process and establish a foundation for the appointment of individuals to the Board who are independent from external interests and possess professional expertise. Through this provision, the quality of Board decision-making is expected to improve and the management oversight function to be substantively strengthened. The Company considers the establishment of this provision to be a critical institutional safeguard for securing Board independence and establishing advanced governance practices.

Proposal 3-2-1: Mandatory Electronic Voting (Shareholder Proposal)

Board Recommendation: AGAINST

Proposed by: Minority Shareholder Coalition

Provision	Current	Proposed
Article 17-4 (Exercise of Voting Rights by Electronic Means)	[New]	1) A shareholder may exercise their voting rights electronically without attending the shareholders' meeting in person. 2) When exercising voting rights electronically under Paragraph 1, the Company shall notify shareholders, together with the notice of the shareholders' meeting, of the ability to vote electronically and include the following information. In this case, the Company shall provide shareholders with the necessary forms and reference materials electronically: 1. The Internet address for electronic voting;

		2. The voting period (the end date of electronic voting must be the day before the shareholders' meeting); 3. Any other technical matters necessary for shareholders to vote electronically. 3) Shareholders shall verify their identity by one of the following methods and cast their electronic vote using an electronic signature in accordance with the Digital Signature Act: 1. A method of identity verification provided by an electronic signature certification service provider recognized for compliance with the operational standards under Article 8(2) of the Digital Signature Act; 2. A method of identity verification provided by an identity verification agency under Article 23-3 of the Act on Promotion of Information and Communications Network Utilization and Information Protection, etc.

Rationale for Board Opposition: The Board is deeply aligned with the intent of the electronic voting system, which aims to enhance shareholder participation by improving convenience and accessibility at general meetings, and regards the strengthening of shareholder rights as a core management value.

However, mandating electronic voting as a fixed obligation in the Articles of Incorporation requires careful consideration. Electronic voting is a matter in which system stability and security must be ensured as the foremost priority for each meeting cycle. Rather than embedding such requirement in the Articles of Incorporation, the Board believes that maintaining its discretionary judgment to make decisions based on a comprehensive assessment of prevailing operational conditions better protects the valuable voting rights of shareholders.

The Korean Commercial Act itself, taking into account such practical variability, designates the decision to implement electronic voting as a matter for board resolution rather than a provision of the Articles of Incorporation. This reflects the legislative intent that each company flexibly operates the system based on its IT infrastructure and security capabilities.

Furthermore, the Company is working to lower the barrier to shareholder participation by permitting proxy authority verification not only through traditional paper submissions but also through electronic documents.

In conclusion, mandating electronic voting as a charter obligation would constrain the Board's

rational management judgment and does not align with the flexible legislative intent of the Commercial Act. Accordingly, the Board opposes this proposal and requests that shareholders exercise their voting rights against this item.

Proposal 4: Election of Directors (2 Independent Directors, 1 Executive Director)

The Board of Directors requests shareholders to vote FOR the election of all three director candidates.

Proposal 4-1: Election of Independent Director Seo Young-jae (New Appointment)

Item	Details
Candidate	Seo Young-jae
Appointment Status	New Appointment
Category	Independent Director
Key Career History	Current: Advisor, QT Group and Angel Robotics Co., Ltd. Former: Head of Management Support Division and CEO, DL E&C Co., Ltd. Former: Head of IT Business Unit, Head of CSO Division, and Head of HE Business Division, LG Electronics Inc.
Board Opinion	Mr. Seo accumulated approximately 27 years of experience at LG Electronics, holding key positions spanning the IT components and consumer electronics sectors. He led global trends in those fields and successfully identified and established innovative new businesses including EV charging, healthcare, and home fitness. As a strategic planning expert with deep industry knowledge, he is expected to contribute meaningfully to the Company's new business development initiatives and the growth of existing operations.

Proposal 4-2: Election of Independent Director Na Young-ho (New Appointment)

Item	Details
Candidate	Na Young-ho
Appointment Status	New Appointment
Category	Independent Director
Key Career History	Current: CEO, CTK E-Vision Global Networks Co., Ltd. Former: Head of E-commerce Division / Vice President, Lotte Shopping Co., Ltd. Former: Head of Strategic Business Division, eBay Korea LLC; Head of

	CBT Business, eBay Korea Co., Ltd.
Board Opinion	Mr. Na is a recognized leader who has driven the e-commerce and fintech industries, having served as CEO of Lotte ON and Head of Strategic Business at eBay Korea. During his tenure at Lotte ON, he improved operating losses by KRW 70.3 billion within two years, demonstrating exceptional management capabilities. With his deep understanding of domestic and international retail trends, he is expected to contribute to the advancement of the Company's sales strategy and the expansion of its retail solutions business within the ESL market.

Proposal 4-3: Election of Executive Director Seo Bo-il (New Appointment)

Item	Details
Candidate	Seo Bo-il
Appointment Status	New Appointment
Category	Executive Director
Key Career History	Current: Deputy Head of Business Division, SOLUM CO., LTD. Former: Head of ESL Sales Team, SOLUM CO., LTD. Former: Head of ICT Business Division, SOLUM CO., LTD. Former: Head of India Research Center, Samsung Electro-Mechanics
Board Opinion	Mr. Seo serves as the Deputy Head of the Company's strategic ESL business division and holds overall responsibility for global development. He possesses extensive field experience and deep expertise in the ESL business. His thorough understanding of ESL operations positions him to provide expert judgment on key strategic decisions, contributing directly to the Board's oversight function and the growth of the Company's core business.

Rationale for Board Recommendation (FOR)

The Board nominates an expert in global IT and consumer electronics trends and a business leader with proven e-commerce and fintech industry experience as new independent director candidates, alongside the Company's head of global ESL development as a new executive director candidate. Each candidate brings substantial field experience and professional expertise that is expected to contribute to new business discoveries, the advancement of global sales strategy, and the strengthening of technological competitiveness.

Upon completion of these elections, independent directors will constitute a majority of the

Board, significantly reinforcing the Board's management oversight function and overall governance standards.

Post AGM Board Compositions

Position	Name	Gender	Term	Nominated By	Remark
Executive Director	Sung-ho Jun	Male	2027.03	Board of Directors	
Executive Director	Dong-kyun Ryu	Male	2028.03	Board of Directors	
Executive Director	Bo-il Seo	Male	2029.03	Board of Directors	Agenda Item 4-3
Independent Director	Joon-sang Kim	Male	2028.03	Board of Directors	
Independent Director	Byoung-guk Lee	Male	2028.03	Board of Directors	
Independent Director	Young-jae Seo	Male	2029.03	Board of Directors	Agenda Item 4-1
Independent Director	Young-ho Nah	Male	2029.03	Board of Directors	Agenda Item 4-2

Proposal 5: Election of Standing Auditor (1 Standing Auditor)

The Board of Directors requests shareholders to vote FOR the election of the Standing Auditor candidate.

Proposal 5-1: Election of Standing Auditor Lim Sung-yeol (New Appointment)

Item	Details
Candidate	Lim Sung-yeol
Appointment Status	New Appointment
Category	Standing Auditor
Key Career History	Current: Outside Director and Audit Committee Member, Hanwha Life Insurance Co., Ltd. Former: Auditor, Soulbrain Holdings Co., Ltd. (resignation scheduled for March 26, 2026) Former: Hanwha Comprehensive Finance, Korea Deposit Insurance Corporation
Board Opinion Summary	The candidate performed core functions in financial services, risk management, and internal controls at the Korea Deposit Insurance Corporation, accumulating extensive practical experience. Subsequently, he served as standing auditor at Woori Fund Services and Rainbow Capital Partners, where he oversaw all aspects of audit operations including regular and ad hoc audits, external audit coordination, and the operation of internal accounting management systems. In addition, he served as standing auditor at Soulbrain Holdings and as outside director and audit committee member at Hanwha Life Insurance, where he performed diverse management oversight functions including audit committee and risk management committee operations, internal controls review, and related party transaction deliberation. Considering this comprehensive track record, the candidate is assessed as a qualified professional with the expertise and independence to advance the Company's core management systems including internal controls, internal accounting management, and risk management.
Board Opinion	The Board determines that the candidate, through the capabilities demonstrated in his roles as outside director and audit committee member at Hanwha Life Insurance and auditor at Soulbrain Holdings, is well qualified to strengthen the Company's internal control and audit functions, proactively manage potential risks, and thereby contribute to the establishment of sound governance and the protection of shareholder value.

Rationale for Board Recommendation (FOR)

The candidate has accumulated over 30 years of experience at Hanwha Life Insurance, the Korea Deposit Insurance Corporation, and across the broader financial sector, securing professional expertise spanning fund management, capital markets, and risk management. In particular, his experience in internal controls and internal accounting management as a standing auditor is assessed as a capability that can directly contribute to enhancing the Company's management transparency and strengthening its audit framework.

The Company sought to strengthen the independence and effectiveness of its audit function by transitioning from a -standing auditor system to a two-auditor system. The candidate was nominated through shareholder recommendation, and following verification by the Board, was determined to be well suited for establishing a professional audit framework, proactively managing potential risks, and protecting shareholder value, and was accordingly finalized as the candidate. This reflects the fact that this nomination has been pursued with procedural legitimacy and transparency, grounded in the Board's communication with shareholders.

Proposal 6: Approval of Director Remuneration Limit

The Board of Directors requests shareholders to vote FOR this proposal.

	FY2025 Limit	FY2025 Actual	Util.	FY2026 Proposed	Remarks	Board Rec.
Director Remuneration	KRW 7B	KRW 1.77B	25.3%	KRW 7B	Two additional directors, limit unchanged	**FOR**
Number of Directors	5			7		

Rationale for Board Recommendation (FOR

The proposed FY2026 director remuneration limit of KRW 7 billion remains unchanged from the prior year. The Board is currently composed of individuals with global expertise in the Company's core business areas and is fully committed to enhancing corporate value by identifying new growth opportunities and advancing commercial strategies amid a rapidly evolving market environment.

If Agenda Item 4, "Election of Directors," is approved at this Annual General Meeting, the proportion of independent directors will exceed a majority of the Board. This is expected to further reinforce responsible management through a more transparent and objective decision-making framework.

Director remuneration, in accordance with the Executive Remuneration Policy, consists of fixed salary and performance-based incentives. The proposed remuneration limit for FY2026 represents the maximum potential payout, assuming performance compensation is achieved at the highest level. Actual payout amounts may vary depending on the Company's performance evaluation results for the year and the Board's judgment.

The Company has taken a conservative approach to remuneration execution, taking into account business conditions, performance outcomes, and shareholder perspectives. In both 2024 and 2025, the Board voluntarily adjusted actual compensation (2024) or declined to receive performance incentives altogether (2025), underscoring a continued commitment to prudent and responsible compensation practices.

Going forward, the Company plans to further strengthen objectivity and independence in how director remuneration is reviewed, by conducting a preliminary assessment through a committee composed entirely of independent directors.

Given the Company's reasonable performance-linked compensation structure and the prudent compensation practices consistently applied to date, the Board believes that maintaining the

current remuneration limit is necessary to support sustainable growth and long-term value creation. We respectfully request your support for this agenda item.

Proposal 7: Approval of Auditor Remuneration Limit

The Board of Directors requests shareholders to vote FOR this proposal.

	FY2025 Limit	FY2025 Actual paid	Util.	FY2026 Proposed	Remarks	Board Rec.
Auditor Remuneration	KRW 300M	KRW 60M	20%	KRW 300M	One additional auditor, limit unchanged	**FOR**
Number of Auditors	1			2		

Rationale for Board Recommendation (FOR)

The proposed FY2026 Approval of Auditor Remuneration Limit of KRW 300 million remains unchanged from the prior year, notwithstanding the expansion from one to two standing auditors. Maintaining an appropriate remuneration level is deemed necessary in light of the independence and expertise required for the audit function.

Appendix: Financial Statements

Consolidated Balance Sheet

(Unit: KRW millions)

Assets	FY2025	FY2024	Liabilities & Equity	FY2025	FY2024
Current Assets	760,407	604,793	**Trade Payables**	207,857	174,529
Cash / Cash Equiv.	156,772	85,940	Short-term Borrowings	317,561	330,426
Trade Receivables	185,037	173,823	Long-term Borrowings	110,375	542
Inventories	395,783	329,185	Long-term Trade Payables	638	257
Prepaid Expenses, etc.	22,815	15,845	Other	77,319	42,624
Non-current Assets	516,114	377,938	**Total Liabilities**	713,750	548,378
Tangible Assets	346,590	313,949	Stated Capital	28,003	25,003
Intangible Assets	35,421	15,239	Other Capital	179,296	37,723
Right-of-use Assets	11,720	7,907	Other Comprehensive Income	(7,181)	(3,544)
Deferred Tax, etc.	122,383	40,843	Retained Earnings	362,653	375,171
Total Assets	1,276,521	982,731	**Total Equity**	562,771	434,353

Separate Balance Sheet

(Unit: KRW millions)

Assets	FY2025	FY2024	Liabilities & Equity	FY2025	FY2024
Current Assets	380,761	300,172	**Trade Payables**	259,623	245,492
Cash / Cash Equiv.	20,320	23,743	Short-term Borrowings	112,400	119,567

Trade Receivables	294,785	201,550	Long-term Borrowings	9,625	542
Inventories	17,971	17,805	Long-term Trade Payables	539	227
Prepaid Expenses, etc.	47,685	57,074	Other	123,673	19,203
Non-current Assets	481,298	339,856	**Total Liabilities**	505,860	385,031
Tangible Assets	152,805	171,878	Stated Capital	28,003	25,003
Intangible Assets	12,854	11,899	Other Capital	180,332	37,723
Right-of-use Assets	584	271	Other Comprehensive Income	(3,499)	0
Deferred Tax, etc.	315,055	155,808	Retained Earnings	151,362	192,271
Total Assets	862,059	640,028	**Total Equity**	356,198	254,997

Debt to Equity Ratio: Consolidated FY2024 126% to FY2025 125%; Separate FY2024 151% to FY2025 141%.

Consolidated Income Statement

(Unit: KRW millions)

Item	FY2025	FY2024
Revenue	1,700,246	1,594,442
Cost of Revenue	1,423,594	1,335,421,
Gross Profit	276,652	259,021
SG&A Expenses	230,152	189,934
Operating Profit	46,500	69,087
Non-operating Income	70,924	81,989
Non-operating Expenses	85,116	91,211
Equity Method Gains (Losses)	(615)	(1,121)

Income Before Tax	31,693	58,745
Income Tax Expense	17,506	21,057
Net Income	14,187	37,688

Separate Income Statement

(Unit: KRW millions)

Item	FY2025	FY2024
Revenue	820,860	872,958
Cost of Goods Sold	676,185	749,169
Gross Profit	144,675	123,789
SG&A Expenses	132,027	118,455
Operating Profit	12,648	5,334
Non-operating Income	47,709	62,672
Non-operating Expenses	54,428	51,366
Equity Method Gains (Losses)	-	-
Income Before Tax	5,929	16,639
Income Tax Expense	6,781	2,934
Net Income	-852	13,706