

**Stock Code: 9962**



**YEOU YIH STEEL CO., LTD**

## **2023 General Shareholders' Meeting**

# **Meeting Handbook**

**June 13, 2023**

**Location: Gangshan Benjhou Industrial Park Service Center auditorium.  
(No.17,Bengong Rd.,Gangshan Dist., Kaohsiung)**

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## One. Agenda

Yeou Yih Steel Co., Ltd.

### 2023 General Shareholders' Meeting Agenda

Meeting Time: June 13, 2023 (Tuesday), 9:00 AM

Meeting Location: No. 17, Bengong Road, Gangshan District, Kaohsiung City (Gangshan Benjhou Industrial Park Service Center Hall)

Convening method: physical shareholders' meeting

I. Meeting Called to Order

II. Chairperson Address

III. Report Items

1. 2022 Business Report

2. 2022 Report on the Review of the Financial Statement from the Audit Committee

3. 2022 Report on the Distribution of Remuneration for Employees and Directors

4. 2022 Report on the Distribution of Cash Dividends from Earnings

IV. Approval Items

1. 2022 Business Report, Financial Statements and Earnings Distribution Statement

V. Discussion and election Items

1. Discussions on Proposed Amendments to the "Rules of Procedure of Shareholders' Meetings"

VI. Extraordinary Motions

VII. Adjournment

## Two. Report Items

- (I) 2022 Business Report, submitted for approval.  
Please refer to pages 3-7 of this handbook for details on the 2022 Business Report.
  
- (II) 2022 Report on the Review of the Financial Statements from the Audit Committee, submitted for approval.  
Please refer to page 9 of this handbook for details on the Audit Committee Review Report.
  
- (III) 2022 Report on the Distribution of Remuneration for Employees and Directors, submitted for approval.
  - 1. Handled in accordance with Article 26 of the Company's "Articles of Incorporation."
  - 2. In 2022, the Company's employee and director remunerations were estimated at NT\$5,575,935 and NT\$5,575,935, respectively. There is no difference between the preceding remuneration and the recognized expenses, all of which was paid in cash.
  
- (IV) Report on the Distribution of Cash Dividends From 2022 Earnings, submitted for approval.
  - 1. The Board of Directors resolved to allocate cash dividends of NT\$162,396,468 to shareholders and to distribute cash dividends of NT\$1.80 per share and authorized the Chairman to set the ex-dividends base date, payment date and other related matters.
  - 2. The Chairman of the Board of Directors resolved to set the ex-dividends base date as April 19, 2023 and the payout date as May 8, 2023.

## One. A report to Shareholders

In 2022, although the world continued to be affected by the COVID-19 pandemic, the impact of port congestion and container shortages was alleviated and shipments were smoother. The Company strengthened the promotion of its export business and gradually increased its annual sales volume, further bolstered by exchange rate gains due to the depreciation of the New Taiwan dollar in the third quarter, resulting in increased revenue and profitability for the Company. In 2022, the Company's revenue was NT\$3.5381 billion, net income was NT\$213.05 million and earnings per share was NT\$2.36, all of which were higher than the previous year (2021).

At the beginning of 2023, the price of stainless steel showed an upward trend. The Company will continue implementing cost control measures, purchasing competitively-priced raw materials and controlling reasonable inventory levels. With the efforts of all colleagues, we aim to successfully achieve the operation goals and create profits to give back to shareholders.

### I. 2022 Business Report

#### (I) Business Plan Implementation Results:

The Company's consolidated profit/loss for 2022 is as follows:

Unit: Thousand NTD

	2022	2021	Difference
Net operating revenue	3,530,808	2,591,575	939,233
Operating cost	-3,168,241	-2,339,172	829,069
Operating profit margin	362,567	252,403	110,164
Operating expenses	-111,499	-88,590	22,909
Operating income	251,068	163,813	87,255
Non-operating income & expense	16,803	11,505	5,298
Net income before tax	267,871	175,318	92,553
Income tax	-54,820	-35,152	19,668
Net income after tax	213,051	140,166	72,885
Earnings per Share	NT\$2.36	NT\$1.55	NT\$0.81
Diluted earnings per share	NT\$2.35	NT\$1.55	NT\$0.80

(II) Budget execution status: The Company did not disclose its financial forecast for 2022, so the budget execution status is not applicable.

(III) Financial revenue/expenditure and profitability analysis:

Item			2022	2021
Financial structure	Debt-to-asset ratio (%)		19.52	35.40
	The ratio of long-term funds to real estate, plant, and equipment (%)		425.61	418.38
Solvency	Current ratio (%)		421.10	243.01
	Quick ratio (%)		99.01	39.95
	Interest coverage ratio		147.69	126.76
Profitability	Return on assets (%)		13.50	10.09
	Return on equity (%)		18.61	13.84
	Ratio accounted for the paid-up capital (%)	Operating income	27.82	18.15
		Pre-tax profit	29.69	19.43
	Net profit rate (%)		6.03	5.40
	Earnings per share (NT\$)		2.36	1.55

#### (IV) R&D Status

##### 1. The technical level of the businesses operated

- (1) The Company has successfully developed the solution heat treatment technology for stainless steel thick plates, which meets the ASTM, ASME, JIS, DNV shipbuilding materials, EN, and CNS requirements.
- (2) Our Company's technology for the metallographic structure of stainless steel thick plates significantly impacts stainless steel quality, and the technical level is quite high.
- (3) The technology developed by our Company to ensure the flatness of stainless steel thick plates has extremely important requirements for the appearance quality of stainless steel. The technical level has surpassed the requirements of ASTM, ASME, JIS, DNV shipbuilding materials, EN, and CNS standards.
- (4) The pickling technology developed by our Company for stainless steel thick plates is the basic condition for the appearance quality of our stainless steel plates, and the technical level has met the specification requirements.
- (5) Yeou Yih Steel Co., Ltd. has passed or obtained the following relevant product quality and environmental certifications as follows:

Item	Item Name	Valid period
1	Obtained the "Building Material Manufacturer" German TUV certification	2021/05/15-2024/05/28
2	Obtained the "PED/AD2000-W0/W2 Pressure Vessel Material Manufacturer" TUV certification	2021/05/20-2024/05/28
3	Passed German "TUV ISO9001: 2015 International Quality Management Qualification" certification	2021/05/28-2024/05/28
4	Obtained the Norwegian "DNV NV304L/NV316L Shipbuilding Materials Factory Verification" certification	2021/06/19-2024/06/30
5	Passed the British "SGS ISO14001: 2015 International Environmental Management System" certification	2021/12/18-2024/12/18

- (6) Yeou Yih International Co., Ltd. has passed or obtained the following relevant product quality and environmental certifications as follows:

Item	Item Name	Valid period
1	Obtained the Japanese “Industrial Standard JIS MARK” certification	2021/04/01-2024/03/31

## 2. The R&D of the Businesses Operated

### (1) Solution heat treatment

- Regenerative burner solid solution furnaces energy-conservation technology.
- Solid solution furnace uniform temperature control technology.
- Quenching water uniform cooling technology.

### (2) Stainless steel material

- Stainless steel homogenization technology.
- Solution temperature condition and holding time optimization.
- Production of cryogenic pressure vessel materials.
- Flatness optimization technology for thick stainless steel plates.
- Grain size and mechanical property processing capability.

### (3) Stainless steel surface treatment

- Pickling solution concentration optimization technology.
- Pickling process condition optimizing technology.
- Sandblasting and derusting process condition optimization.

### (3) Successfully developed technologies or products

- Stainless steel materials for low-temperature pressure vessels.
- Construction-use stainless steel materials.
- Ship-building stainless steel materials.
- JIS G4304 compliance stainless steel plates.

## II. Summary of the 2023 Business Plan

### (I) Operating policy:

Item	Operating Policy
Client Aspect	Actively develop clients and expand operation scales.
Product Aspect	Invest in equipment upgrades and high-quality supply products.
Market Aspect	Grasp the market dynamics and provide the best services.
Financial Aspect	Optimize the financial structure and sustainable operation of the enterprise.

(II) Expected sales volume and supporting basis:

Unit: ton

Product Items	Estimated Sales Weight	Basis
Stainless Steel Plates	33,600	2023 sales plan formulated according to the production capacity and market forecasts

(III) Important production and sales policies:

Business Development	Production and Sale Policy
Client Aspect	1. Strengthen communications to enhance cooperative relationships. 2. Strengthen post-sales services and increase client satisfaction.
Product Aspect	1. Strengthen process management and improve product quality. 2. Strengthen scheduling management and shorten product delivery time. 3. Strengthen the relationship with suppliers and stabilize the supply source.
Market Aspect	1. Actively expand domestic and overseas markets and increase product visibility. 2. Deepen client relationships and improve service processes.
Financial Aspect	1. Enhance the relationship with banks and strive for preferential conditions. 2. Stabilize the enterprise's financial constitution and operations.

III. The Company's Future Development Strategy

The Company is part of the stainless steel thick plate midstream processing industry and plays an important role in the stainless steel industry system. As a result, the Company's successes and failures are directly influenced by the upstream steel and downstream related industries. Therefore, our future development strategies are as follows:

- (I) Stable source material supply.
- (II) Master the raw material procurement market.
- (III) Production technology and product quality.
- (IV) Master the sales channels.

IV. Impacts from the External Competition, Legal Environment, and Overall Business Environment

Taiwan's stainless steel thick plate market has matured, and profit margins are increasingly compressed. Only by increasing turnover can we improve profits. Our company is leading in the domestic stainless steel thick plate industry. However, stainless steel has high international circulation under the free market economic system, so we must face competition from foreign manufacturers in domestic and foreign markets. The international trend has shifted from protection to openness due to the abolition of Article 201 by the United States, the withdrawal of defense measures by the European Union, and the abolition of the final guarantee clause in



mainland China. Taiwan joined the WTO in 2003. Under the WTO system, all member countries must eliminate domestic tariffs and non-tariff barriers. Taiwan's steel market can become a fully open international market. In the future, the influence of foreign tariffs and non-tariff trade obstacles for various types of steel products exported from Taiwan will be greatly reduced, which will be more conducive to steel product exports.

The international steel market has recently shifted due to the lifting of pandemic lockdown measures in China, creating new demand and price changes. Baosteel took the lead in raising prices and the influence of declining nickel ore imports and with the restoration of market confidence, international nickel prices rose sharply to a recent high, the stainless steel industry should be able to benefit and is worthy of investors' attention.

Russia and Ukraine have played a significant role in the international steel market, with Russia being the sixth largest steel producer in the world, producing 76 million tons of steel in 2021. Ukraine, with an annual production of 21 million tons, is the 14th largest steel producing country, Vietnam has an annual production of 23 million tons and Taiwan also has an annual production of 23 million tons; all these countries have considerable influence on global steel production.

The war between Russia and Ukraine has profoundly affected the global steel supply. Ukraine has markedly reduced its production capacity and Russia has dumped a large amount of steel after the war broke out in order to raise funds for military spending, resulting in impacts to global steel market prices in 2022. It is worth noting that India has become a new production base in the international supply chain and the demand is increasing exponentially, while China has seen a resurgence in the construction and manufacturing industry with the lifting of pandemic restrictions; therefore we foresee a spike in demand for steel products.

Chairperson: Hsien-Tong Liu

Manager: Jui-Hsin Chang

Accounting supervisor: Chung-Chih Chen

Yeou Yih Steel Co., Ltd.  
Audit Committee's Review Report

The Board of Directors has formulated and submitted the Company's 2022 business report, financial statements (including consolidated financial statements), profit distribution proposals, etc. Among them, the financial statements (including the consolidated financial statements) have been audited by the attesting CPAs Kuo-Ming Lee and Ling-Wen Huang of Crowe Horwath (TW) CPAs and the audit reports were also issued. The audit committee reviewed the preceding business report, financial statements (including consolidated financial statements), and profit distribution proposal; no discrepancy was found. The documents are hereby submitted according to Article 14-4 of the Securities Exchange Act and Article 219 of the Company Act for approval.

Respectfully submitted,

2023 General Shareholders' Meeting of Yeou Yih Steel Co., Ltd.

Convener of the Audit Committee: Yu-Liang Pan

March 24, 2023

### Three. Approval Items

Motion 1: Proposed by the Board of Directors

Summary: Acceptance of the 2022 Business Report, Financial Statements and Earnings Distribution Statement, submitted for acknowledgment.

Description: I. The financial statements of the Company for 2022 have been audited and completed by the attesting CPAs Kuo-Ming Lee and Ling-Wen Huang of Crowe Horwath (TW) CPAs . The Board of Directors approved the Business Report and the Statement of Earnings Distribution and submitted them to the Audit Committee for review, which concluded that there was no discrepancy and issued an audit report.  
II. Please refer to pages 3-7 and 10-31 of this handbook for various supporting information.  
III. Proposed for recognition.

Resolution:

Yeou Yih Steel Co., Ltd.  
Earnings distribution schedule  
2022

Unit: NTD	
Item	Amount
Undistributed earnings at the beginning of the period	39,161,808
Plus: Net profit after tax for 2022	213,050,905
Disposal of equity instruments measured at FVTOCI	2,185,045
Other comprehensive income (remeasurement of defined benefit plans in 2022)	1,554,556
Reversal of special surplus reserve	(1,542,749)
Earnings available for distribution	254,409,565
Allocation Items:	
Provision of 10% of legal reserve	(21,679,051)
Shareholder cash dividends (NT\$1.8)	(162,396,468)
Undistributed earnings at the end of the period	70,334,046
Note:	
1. No. of shares: 90,220,260 shares.	

Chairperson: Hsien-Tong Liu      Manager: Jui-Hsin Chang      Accounting supervisor: Chung-Chih Chen

## **Independent Auditors' Report**

To the Board of Directors and Shareholders  
Yeou Yih Steel Co., Ltd.

### **Opinion**

We have audited the accompanying consolidated balance sheets of Yeou Yih Steel Co., Ltd. and its subsidiaries (the “Group”) as of December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

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

### **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, we do not provide a separate opinion on these matters.

Key audit matters of the Group's consolidated financial statements for the year ended December 31, 2022 are stated as follows:

### **Valuation of inventory**

Please refer to Note 4.8 to the consolidated financial statements for the accounting policy of inventories, Note 5.2(4) for critical accounting judgments, estimates and key sources of assumption uncertainty of inventories, and Note 6.4 for inventory valuation.

#### Description of key audit matter

As of December 31, 2022, inventory was \$873,376 thousand and accounted for 58.43% of the total assets. The inventory valuation is measured at the lower of inventory cost and net realizable value. Since inventory valuation is dependent on the influence of frequently volatile fluctuations of nickel price, further affecting stainless steel price.

#### How the matter was addressed in our audit

In relation to the key audit matter above, our principal audit procedures included evaluating the correctness of the valuation allowance, rationality of evaluation loss, preciseness of evaluation allowance of the past and comparing which with that of current period to see if the estimation method and assumption was appropriate, and examining the appropriateness of the related disclosure of the inventory allowance.

### **Revenue recognition**

Please refer to Note 4.16 to the consolidated financial statements for the accounting policy of revenue recognition, Note 5.1(1) and Note 5.2(1) for critical accounting judgements, estimates and key sources of assumption uncertainty of revenue recognition, and Note 6.17 for the description of revenue recognition.

#### Description of key audit matter

The Group sales revenue is easily influenced by various factors such as the industry boom, market environment and government policies, and has a significant impact on the capacity utilization rate of the Group (the recognition of idle capacity loss), inventory risk and cash flow. Consequently, revenue recognition is deemed to be a key audit matter.

### How the matter was addressed in our audit

In relation to the key audit matter above, our principal audit procedures included testing the Group's controls surrounding revenue recognition; inspecting customer orders and performing a test of revenue transactions which incurred within a certain period before or after the balance sheet date, analysis of the trend of product sales and comparing the number of relevant changes or differences with the budget to confirm whether there is a significant exception; and evaluating the orders and related document of bill-and-hold sales, in which delivery is delayed at the buyer's request but the buyer takes the title and accept the billing, to see if the risk and reward had been transferred to the buyer for revenue recognition.

### **Other Matters**

We have also audited the standalone financial statements of Yeou Yih Steel Co., Ltd. as of and for the years ended December 31, 2022 and 2021 on which we have issued an unmodified opinion.

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

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

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

Those charged with governance (inclusive of the Audit Committee) are responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards in the Republic of China will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2022 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 Kuo Ming Lee and Ling Wen Huang.

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Crowe (TW) CPAs  
Kaohsiung, Taiwan  
Republic of China

March 17, 2023

Notice to Readers

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

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



YEOU YIH STEEL CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
(In Thousands of New Taiwan Dollars)

Assets	Note	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
CURRENT ASSETS					
Cash and cash equivalents	6.1	\$211,799	14	\$108,286	6
Accounts receivable, net	6.2	45,947	3	103,422	6
Other receivables	6.3	16,124	1	15,831	1
Current income tax assets		-	-	1,547	-
Inventories	6.4	873,376	59	1,142,480	68
Prepayments		28,249	2	38,629	3
Other financial assets - current	6.5	3,300	-	3,300	-
Total current assets		1,178,795	79	1,413,495	84
NONCURRENT ASSETS					
Financial assets at fair value through other comprehensive income or loss - noncurrent	6.6	26,830	2	-	-
Property, plant and equipment	6.7	285,407	19	263,040	16
Intangible assets	6.8	196	-	531	-
Deferred income tax assets	6.23	2,809	-	4,413	-
Refundable deposits		635	-	680	-
Total noncurrent assets		315,877	21	268,664	16
TOTAL ASSETS		\$1,494,672	100	\$1,682,159	100
Liabilities and Equity					
CURRENT LIABILITIES					
Short-term loans	6.9	\$104,731	8	\$457,206	27
Contract liabilities - current	6.17	7,883	1	11,436	1
Notes payable		6,299	-	5,455	-
Accounts payable		71,999	5	35,375	2
Other payables	6.10	51,033	3	34,521	2
Current tax liabilities		36,399	2	34,261	2
Provisions - current	6.11	1,583	-	3,388	-
Total current liabilities		279,927	19	581,642	34
NONCURRENT LIABILITIES					
Deferred income tax liabilities	6.23	45	-	5	-
Net defined benefit liability - noncurrent	6.12	11,850	1	13,965	1
Total noncurrent liabilities		11,895	1	13,970	1
TOTAL LIABILITIES		291,822	20	595,612	35

Liabilities and Equity	Note	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
<b>EQUITY</b>					
Share capital	6.13				
Common stock		902,203	59	902,203	55
Capital surplus	6.14	8,385	1	8,087	-
Retained earnings	6.15				
Legal reserve		37,852	3	23,093	1
Special reserve		-	-	693	-
Unappropriated earnings		255,953	17	152,471	9
Other equity	6.16	(1,543)	-	-	-
Total equity attributable to owners of the parent		1,202,850	80	1,086,547	65
<b>NON-CONTROLLING INTERESTS</b>		-	-	-	-
Total equity		1,202,850	80	1,086,547	65
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>\$1,494,672</u>	<u>100</u>	<u>\$1,682,159</u>	<u>100</u>

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

YEOU YIH STEEL CO., LTD.

STANDALONE STATEMENTS OF COMPREHENSIVE INCOME

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

Item	Note	Year Ended December 31			
		2022		2021	
		Amount	%	Amount	%
OPERATING REVENUE	6.17	\$3,530,808	100	\$2,591,575	100
OPERATING COST	6.4	(3,168,241)	(89)	(2,339,172)	(90)
GROSS PROFIT (LOSS)		362,567	11	252,403	10
OPERATING EXPENSES					
Sales and marketing		(41,120)	(1)	(32,996)	(1)
General and administrative		(70,379)	(2)	(55,594)	(2)
Total operating expenses		(111,499)	(3)	(88,590)	(3)
INCOME (LOSS) FROM OPERATIONS		251,068	8	163,813	7
NON-OPERATING INCOME AND EXPENSES					
Interest income	6.19	593	-	47	-
Other income	6.20	5,369	-	4,953	-
Other gains and losses	6.21	12,667	-	7,899	-
Finance cost	6.22	(1,826)	-	(1,394)	-
Total non-operating income and expenses		16,803	-	11,505	-
INCOME (LOSS) BEFORE INCOME TAX		267,871	8	175,318	7
INCOME TAX BENEFIT (EXPENSE)	6.23	(54,820)	(2)	(35,152)	(1)
NET INCOME (LOSS)		213,051	6	140,166	6
OTHER COMPREHENSIVE INCOME (LOSS)	6.24				
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of defined benefit obligation		1,943	-	(449)	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income		642	-	8,482	-
Income tax benefit (expense) related to items that will not be reclassified subsequently to profit or loss		(389)	-	90	-
Total other comprehensive income (loss), net of income tax		2,196	-	8,123	-
TOTAL COMPREHENSIVE INCOME (LOSS)		\$215,247	6	148,289	6
NET INCOME (LOSS) ATTRIBUTABLE TO					
Shareholders of the parent		\$213,051	6	\$140,166	6
Non-controlling interests		-	-	-	-
Total		\$213,051	6	\$140,166	6
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:					
Shareholders of the parent		\$215,247	6	\$ 148,289	6
Non-controlling interests		-	-	-	-
Total		\$ 215,247	6	\$148,289	6
EARNINGS (LOSS) PER SHARE					
Basic earnings (loss) per share	6.25	\$2.36		\$1.55	
Diluted earnings (loss) per share	6.25	\$2.35		\$1.55	

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

YEOU YIH STEEL CO., LTD.  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Shareholders of the Parent						Shareholders of the parent	Non-controlling Interests	Total Equity
	Common Stock	Capital Surplus	Legal reserve	Special Reserve	Unappropriated Earnings	Other Equity Item Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income			
BALANCE AT JANUARY 1, 2021	\$902,203	\$8,087	\$22,736	\$ -	\$5,925	(\$693)	\$938,258	\$ -	\$938,258
Appropriations and distributions of prior years' earnings:									
Legal reserve	-	-	357	-	(357)	-	-	-	-
Special reserve	-	-	-	693	(693)	-	-	-	-
Net income (loss) in 2021	-	-	-	-	140,166	-	140,166	-	140,166
Other comprehensive income (loss) in 2021, net of income tax	-	-	-	-	(359)	8,482	8,123	-	8,123
Total comprehensive income in 2021	-	-	-	-	139,807	8,482	148,289	-	148,289
Disposal of financial instruments designated at fair value through other comprehensive income	-	-	-	-	7,789	(7,789)	-	-	-
BALANCE AT DECEMBER 31, 2021	902,203	8,087	23,093	693	152,471	-	1,086,547	-	1,086,547
Appropriations and distributions of prior years' earnings:									
Legal reserve	-	-	14,759	-	(14,759)	-	-	-	-
Cash dividends - \$1.1 per share	-	-	-	-	(99,242)	-	(99,242)	-	(99,242)
Reversal of special reserve	-	-	-	(693)	693	-	-	-	-
Net income (loss) in 2022	-	-	-	-	213,051	-	213,051	-	213,051
Other comprehensive income (loss) in 2022, net of income tax	-	-	-	-	1,554	642	2,196	-	2,196
Total comprehensive income (loss) in 2022	-	-	-	-	214,605	642	215,247	-	215,247
Disposal of financial instruments designated at fair value through other comprehensive income	-	-	-	-	2,185	(2,185)	-	-	-
Other	-	298	-	-	-	-	298	-	298
BALANCE AT DECEMBER 31, 2022	\$902,203	\$8,385	\$37,852	\$ -	\$255,953	(\$1,543)	\$1,202,850	\$ -	\$1,202,850

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

YEOU YIH STEEL CO., LTD.  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
(In Thousands of New Taiwan Dollars)

Item	Year Ended December 31	
	2022	2021
<b>1.CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income (loss) before income tax	\$267,871	\$175,318
Adjustments to reconcile profit (loss)		
Depreciation	16,512	19,236
Amortization	778	822
Interest expense	1,826	1,394
Interest income	(593)	(47)
Dividend income	(820)	-
Loss (gain) on disposal and retirement of property, plant and equipment	(300)	681
Property, plant and equipment transfer to expense	544	-
Total adjustments to reconcile profit (loss)	17,947	22,086
Changes in operating assets and liabilities:		
Net changes in operating assets:		
Decrease (increase) in notes receivable	-	10
Decrease (increase) in accounts receivable	57,475	3,293
Decrease (increase) in other receivables	(141)	(6,738)
Decrease (increase) in inventories	269,104	(556,879)
Decrease (increase) in prepayments	10,380	(37,208)
Total net changes in operating assets	336,818	(597,522)
Net changes in operating liabilities:		
Increase (decrease) in contract liabilities	(3,553)	8,295
Increase (decrease) in notes payable	844	2,151
Increase (decrease) in accounts payable	36,624	3,849
Increase (decrease) in other payables	16,508	11,548
Increase (decrease) in provisions	(1,805)	2,136
Increase (decrease) in net defined benefit liability	(172)	(208)
Total net changes in operating liabilities	48,446	27,771
Total changes in operating assets and liabilities	385,264	(569,751)
Total adjustments	403,211	(547,665)
Cash generated from (used in) operations	671,082	(372,347)
Interest received	546	47
Dividends received	820	-
Interest paid	(1,960)	(1,276)
Income tax refund (paid)	(49,880)	6,153
Net cash generated from (used in) operating activities	620,608	(367,423)

Item	Year Ended December 31	
	2022	2021
<b>2.CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income or loss	(39,454)	(92,899)
Proceeds from disposal of financial assets at fair value through other comprehensive income or loss	13,266	131,051
Acquisition of property, plant and equipment	(39,905)	(18,958)
Proceeds from disposal of property, plant and equipment	815	3,524
Decrease in refundable deposits	45	-
Acquisition of intangible assets	(443)	(643)
Net cash generated from (used in) investing activities	(65,676)	22,075
<b>3.CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term loans	-	355,760
Decrease in short-term loans	(352,475)	-
Cash dividends paid	(99,242)	-
Other financing activities	298	-
Net cash generated from (used in) financing activities	(451,419)	355,760
<b>4.NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>103,513</b>	<b>10,412</b>
<b>5.CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<b>108,286</b>	<b>97,874</b>
<b>6.CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$211,799</b>	<b>\$108,286</b>

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

## **Independent Auditors' Report**

To the Board of Directors and Shareholders  
Yeou Yih Steel Co., Ltd.

### **Opinion**

We have audited the accompanying standalone statements of Yeou Yih Steel Co., Ltd. (the “Company”) as of December 31, 2022 and 2021, and the standalone statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the standalone financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying standalone financial statements present fairly, in all material respects, the standalone financial position of the Company as of December 31, 2022 and 2021, and its standalone financial performance and its standalone cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's standalone financial statements for the year ended December 31, 2022 are stated as follows:

### **Valuation of inventory**

Please refer to Note 4.7 to the standalone financial statements for the accounting policy on inventories, Note 5.2(5) for critical accounting judgements, estimates and key sources of assumption uncertainty of inventories, and Note 6.4 for inventory valuation.

#### Description of key audit matter

As of December 31, 2022, inventory was \$871,404 thousand and accounted for 58.34% of the total assets. The inventory valuation is measured at the lower of inventory cost and net realizable value. Since inventory valuation is dependent on the influence of frequently volatile fluctuations of nickel price, further affecting stainless steel price.

#### How the matter was addressed in our audit

In relation to the key audit matter above, our principal audit procedures included evaluating the correctness of the valuation allowance, rationality of evaluation loss, preciseness of evaluation allowance of the past and comparing which with that of current period to see if the estimation method and assumption was appropriate, and examining the appropriateness of the related disclosure of the inventory allowance.

### **Revenue recognition**

Please refer to Note 4.16 to the standalone financial statements for the accounting policy on revenue recognition, Note 5.1(1) and 5.2(1) for critical accounting judgements, estimates and key sources of assumption uncertainty of revenue recognition and Note 6.18 for the details of revenue recognition.

#### Description of key audit matter

The Company sales revenue is easily influenced by various factors such as the industry boom, market environment and government policies, and has a significant impact on the capacity utilization rate of the Company (the recognition of idle capacity loss), inventory risk and cash flow. Consequently, revenue recognition is deemed to be a key audit matter.



### How the matter was addressed in our audit

In relation to the key audit matter above, our principal audit procedures included testing the Company's controls surrounding revenue recognition; customer orders and performing a test of revenue transactions which incurred within a certain period before or after the balance sheet date; analysing of the trend of product sales and comparing the number of relevant changes or differences with the budget to confirm whether there is a significant exception; and evaluating the orders and related document of bill-and-hold sales, in which delivery is delayed at the buyer's request but the buyer takes the title and accept the billing, to see if the risk and reward had been transferred to the buyer for revenue recognition.

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

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

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

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

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

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

As part of an audit in accordance with the auditing standards 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended December 31, 2022 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 is Kuo Ming Lee and Ling Wen Huang

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Crowe (TW) CPAs  
Kaohsiung, Taiwan  
Republic of China

March 17, 2023

Notice to Readers

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

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

YEOU YIH STEEL CO., LTD.  
STANDALONE BALANCE SHEETS  
(In Thousands of New Taiwan Dollars)

Assets	Note	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
CURRENT ASSETS					
Cash and cash equivalents	6.1	\$185,304	12	\$88,682	5
Accounts receivable, net	6.2	45,947	3	103,422	6
Account receivable - related parties, net	6.2,7	7,541	1	-	-
Other receivables	6.3	15,885	1	15,647	1
Current income tax assets		-	-	1,547	-
Inventories	6.4	871,404	58	1,142,480	68
Prepayments		27,725	2	38,172	3
Other financial assets - current	6.5	3,300	-	3,300	-
Total current assets		1,157,106	77	1,393,250	83
NONCURRENT ASSETS					
Financial assets at fair value through other comprehensive income or loss - noncurrent	6.6	26,830	2	-	-
Investments accounted for using equity method	6.7	20,673	1	20,060	1
Property, plant and equipment	6.8	285,407	20	263,040	16
Intangible assets	6.9	196	-	531	-
Deferred income tax assets	6.24	2,788	-	4,413	-
Refundable deposits		635	-	680	-
Total noncurrent assets		336,529	23	288,724	17
TOTAL ASSETS		\$1,493,635	100	\$1,681,974	100
Liabilities and Equity					
CURRENT LIABILITIES					
Short-term loans	6.10	\$104,731	8	\$457,206	27
Contract liabilities - current	6.18	7,234	-	11,407	1
Notes payable		6,299	-	5,455	-
Accounts payable		71,999	5	35,375	2
Other payables	6.11	50,890	3	34,365	2
Current tax liabilities		36,186	2	34,261	2
Provisions - current	6.12	1,583	-	3,388	-
Total current liabilities		\$278,922	18	\$581,457	34

Liabilities and Equity	Note	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
NONCURRENT LIABILITIES					
Deferred income tax liabilities	6.24	\$13	-	\$5	-
Net defined benefit liability - noncurrent	6.13	11,850	1	13,965	1
Total noncurrent liabilities		11,863	1	13,970	1
TOTAL LIABILITIES		290,785	19	595,427	35
EQUITY					
Share capital	6.14				
Common stock		902,203	60	902,203	55
Capital surplus	6.15	8,385	1	8,087	-
Retained earnings	6.16				
Legal reserve		37,852	3	23,093	1
Special reserve		-	-	693	-
Unappropriated earnings		255,953	17	152,471	9
Other equity	6.17	(1,543)	-	-	-
TOTAL EQUITY		1,202,850	81	1,086,547	65
TOTAL LIABILITIES AND EQUITY		\$1,493,635	100	\$1,681,974	100

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

YEOU YIH STEEL CO., LTD.

STANDALONE STATEMENTS OF COMPREHENSIVE INCOME

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

Item	Note	Year Ended December 31			
		2022		2021	
		Amount	%	Amount	%
OPERATING REVENUE	6.18	\$3,531,799	100	\$2,590,494	100
OPERATING COST	6.4	(3,170,213)	(89)	(2,339,172)	(90)
GROSS PROFIT (LOSS)		361,586	11	251,322	10
UNREALIZED SALES BENEFIT		(291)	-	-	-
OPERATING EXPENSES					
Sales and marketing		(40,757)	(1)	(32,762)	(1)
General and administrative		(70,058)	(2)	(55,265)	(2)
Total operating expenses		(110,815)	(3)	(88,027)	(3)
INCOME (LOSS) FROM OPERATIONS		250,480	8	163,295	7
NON-OPERATING INCOME AND EXPENSES					
Interest income	6.20	534	-	43	-
Other income	6.21	5,489	-	5,073	-
Other gains and losses	6.22	12,064	-	7,928	-
Finance cost	6.23	(1,826)	-	(1,394)	-
Share of profit (loss) of subsidiaries, associates and joint ventures		904	-	373	-
Total non-operating income and expenses		17,165	-	12,023	-
INCOME (LOSS) BEFORE INCOME TAX		267,645	8	175,318	7
INCOME TAX BENEFIT (EXPENSE)	6.24	(54,594)	(2)	(35,152)	(1)
NET INCOME (LOSS)		213,051	6	140,166	6
OTHER COMPREHENSIVE INCOME (LOSS)	6.25				
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of defined benefit obligation		1,943	-	(449)	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income		642	-	8,482	-
Income tax benefit (expense) related to items that will not be reclassified subsequently to profit or loss		(389)	-	90	-
Total other comprehensive income (loss), net of income tax		2,196	-	8,123	-
TOTAL COMPREHENSIVE INCOME (LOSS)		\$215,247	6	148,289	6
EARNINGS (LOSS) PER SHARE					
Basic earnings (loss) per share	6.26	\$2.36		\$1.55	
Diluted earnings (loss) per share	6.26	\$2.35		\$1.55	

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

YEOU YIH STEEL CO., LTD.  
STANDALONE STATEMENTS OF CHANGES IN EQUITY  
(In Thousands of New Taiwan Dollars)

	Retained Earnings					Other Equity Item	
	Common Stock	Capital Surplus	Legal reserve	Special Reserve	Unappropriated Earnings	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total Equity
BALANCE AT JANUARY 1, 2021	\$902,203	\$8,087	\$22,736	\$ -	\$5,925	(\$693)	\$938,258
Appropriations and distributions of prior years' earnings:							
Legal reserve	-	-	357	-	(357)	-	-
Special reserve	-	-	-	693	(693)	-	-
Net income (loss) in 2021	-	-	-	-	140,166	-	140,166
Other comprehensive income (loss) in 2021, net of income tax					(359)	8,482	8,123
Total comprehensive income in 2021	-	-	-	-	139,807	8,482	148,289
Disposal of financial instruments designated at fair value through other comprehensive income	-	-	-	-	7,789	(7,789)	-
BALANCE AT DECEMBER 31, 2021	902,203	8,087	23,093	693	152,471	-	1,086,547
Appropriations and distributions of prior years' earnings:							
Legal reserve	-	-	14,759	-	(14,759)	-	-
Cash dividend - \$1.1 per share	-	-	-	-	(99,242)	-	(99,242)
Reversal of special reserve	-	-	-	(693)	693	-	-
Net income (loss) in 2022	-	-	-	-	213,051	-	213,051
Other comprehensive income (loss) in 2022, net of income tax	-	-	-	-	1,554	642	2,196
Total comprehensive income (loss) in 2022	-	-	-	-	214,605	642	215,247
Disposal of financial instruments designated at fair value through other comprehensive income	-	-	-	-	2,185	(2,185)	-
Other	-	298	-	-	-	-	298
BALANCE AT DECEMBER 31, 2022	902,203	8,385	37,852	-	255,953	(1,543)	\$1,202,850

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

YEOU YIH STEEL CO., LTD.  
STANDALONE STATEMENTS OF CASH FLOWS  
(In Thousands of New Taiwan Dollars)

Item	Year Ended December 31	
	2022	2021
<b>1.CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income (loss) before income tax	\$267,645	\$175,318
Adjustments to reconcile profit (loss)		
Depreciation	16,512	19,236
Amortization	778	822
Interest expense	1,826	1,394
Interest income	(534)	(43)
Dividend income	(820)	-
Share of loss (profit) of subsidiaries, associates and joint ventures	(904)	(373)
Loss (gain) on disposal and retirement of property, plant and equipment	(300)	681
Property, plant and equipment transfer to expense	544	-
Unrealized sales benefit	291	-
Total adjustments to reconcile profit (loss)	17,393	21,717
Net changes in operating assets and liabilities:		
Net changes in operating assets:		
Decrease (increase) in notes receivable	-	10
Decrease (increase) in accounts receivable	49,934	3,293
Decrease (increase) in other receivables	(93)	(6,554)
Decrease (increase) in inventories	271,076	(556,879)
Decrease (increase) in prepayments	10,447	(37,218)
Total net changes in operating assets	331,364	(597,348)
Net changes in operating liabilities:		
Increase (decrease) in contract liabilities	(4,173)	8,266
Increase (decrease) in notes payable	844	2,151
Increase (decrease) in accounts payable	36,624	3,849
Increase (decrease) in other payables	16,521	11,442
Increase (decrease) in provisions	(1,805)	2,136
Increase (decrease) in net defined benefit liability	(172)	(208)
Total net changes in operating liabilities	47,839	27,636
Total changes in operating assets and liabilities	379,203	(569,712)
Total adjustments	396,596	(547,995)
Cash generated from (used in) operations	664,241	(372,677)
Interest received	494	43
Dividends received	820	-
Interest paid	(1,960)	(1,276)
Income tax refund (paid)	(49,878)	6,153
Net cash generated from (used in) operating activities	613,717	(367,757)



Item	Year Ended December 31	
	2022	2021
<b>2.CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income or loss	(\$39,454)	(\$92,899)
Proceeds from disposal of financial assets at fair value through other comprehensive income or loss	13,266	131,051
Acquisition of property, plant and equipment	(39,905)	(18,958)
Proceeds from disposal of property, plant and equipment	815	3,524
Decrease in refundable deposits	45	-
Acquisition of intangible assets	(443)	(643)
Net cash generated from (used in) investing activities	(65,676)	22,075
<b>3.CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term loans	-	355,760
Decrease in short-term loans	(352,475)	-
Cash dividends paid	(99,242)	-
Other financing activities	298	-
Net cash generated from (used in) financing activities	(451,419)	355,760
<b>4.NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	96,622	10,078
<b>5.CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	88,682	78,604
<b>6.CASH AND CASH EQUIVALENTS - END OF YEAR</b>	185,304	88,682

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

#### Four. Discussion and election Items

##### Motion 1: Proposed by the Board of Directors

Summary: Discussions on Proposed Amendments to the “Rules of Procedure of Shareholders’ Meetings.”

Description: (I) In accordance with the Financial Supervisory Commission’s letter Jin-Guan-Zheng-Jiao-Zi No. 1110133385 dated March 7, 2022, the Company intends to amend certain provisions of the “Rules of Procedure of Shareholders’ Meetings.” Please refer to page 33-56 of this handbook for a comparison of the provisions before and after the amendment.

(II) Submitted for discussion.

Resolution:

#### Five. Extraordinary Motions

#### Six. Adjournment

## Yeou Yih Steel Co., Ltd.

## Comparison of provisions before and after the amendment of the Rules of Procedure of Shareholders' Meetings

Before amendment	After amendment	Reason for Amendment
<p>Article 3: Unless otherwise specified by the laws or the Articles of Incorporation, the Company's shareholders' meetings shall be convened by the board of directors. <u>Changes to how the Company 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.</u></p> <p>The Company shall, within 30 days prior to a general shareholders' meeting or 15 days before an extempore shareholders' meeting, upload the notice to convene the shareholders' meeting, a power of attorney, the proposals for recognition, discussion, election, or dismissal of directors in electronic formats to the Market Observation Post System. The Company shall prepare electronic versions of the shareholders' meeting handbook and supplemental meeting materials and upload them to the MOPS 21 days before the date of the general shareholders' meeting or 15 days before the date of the special shareholders' meeting. <u>If, however, the Company has a paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders' meeting held in the immediately preceding year, transmission of these electronic files shall be made 30 days before the general shareholders' meeting.</u> In addition, 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting handbook and supplemental meeting materials and made them available for</p>	<p>Article 3: Unless otherwise specified by the laws or the Articles of Incorporation, the Company's shareholders' meetings shall be convened by the board of directors. The Company shall, within 30 days prior to a general shareholders' meeting or 15 days before an extempore shareholders' meeting, upload the notice to convene the shareholders' meeting, a power of attorney, the proposals for recognition, discussion, election, or dismissal of directors in electronic formats to the Market Observation Post System. The Company shall also formulate the shareholders' meeting handbook and supplementary materials into electronic files and upload them to the Market Observation Post System at least 21 days before a general shareholders' meeting or 15 days before an extraordinary shareholders' meeting. 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting handbook and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby <u>and distributed to shareholders during the general shareholders' meeting.</u></p> <p>The notice shall specify the reason for the convening; if the</p>	<ol style="list-style-type: none"> <li>1. The first paragraph, the original third paragraph to the tenth paragraph were not amended.</li> <li>2. In order to inform the shareholders of the change in how the Company convenes its shareholders' meetings, the change shall be resolved by the Board of Directors and shall be made no later than the mailing of the shareholders' meeting notice. Therefore, it is proposed to add the second paragraph.</li> <li>3. In line with Article 6 of the Regulations Governing Content and Compliance Requirements for Shareholders' Meeting Agenda Handbooks of</li> </ol>

<p>review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.</p> <p><u>The Company shall make the meeting handbook and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders' meeting:</u></p> <p>I. <u>For physical shareholders' meetings, to be distributed on-site at the meeting.</u></p> <p>II. <u>For hybrid shareholders' meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.</u></p> <p>III. <u>For virtual-only shareholders' meetings, electronic files shall be shared on the virtual meeting platform.</u></p> <p>The notice shall specify the reason for the convening; if the counterparty approves the notice, it may be prepared in electronic format.</p> <p>Election or dismissal of directors or supervisors, amendments to the articles of incorporation, <u>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</u>, the dissolution, merger, or demerger of the Company, 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.</p> <p><u>Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders' meeting,</u></p>	<p>counterparty approves the notice, it may be prepared in electronic format.</p> <p>Election or dismissal of directors, amendments to the articles of incorporation, 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.</p> <p>A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal <u>in writing</u> for discussion at a general shareholders' meeting. Only one matter is permitted, and proposals exceeding this limit shall be excluded from the discussion.</p> <p>When the circumstances of any sub-paragraph 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.</p> <p>Prior to the book closure date before a general shareholders' meeting is held, the Company shall publicly announce its acceptance of shareholder proposals and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>A proposal made by a shareholder shall be limited to 300 characters. Anything exceeding 300 characters shall be excluded. The proposing shareholder shall attend the</p>	<p>Public Companies as amended on December 16, 2021, stipulating that public corporations with a paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the general shareholders' meeting held in the immediately preceding year, transmission of these electronic files shall be made 30 days before the general shareholders' meeting to allow time for foreign or PRC shareholders enough time to review relevant shareholders' meeting materials. Therefore, paragraph 3 was amended accordingly.</p>
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<p><u>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.</u></p> <p>A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a general 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. If a shareholder's proposal involves one of the conditions specified by Paragraph 4, Article 172-1 of the Company Act, the proposal shall be excluded from the board of directors meeting.</p> <p><u>A shareholder may propose a recommendation for urging the Company 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.</u></p> <p>Prior to the book closure date before a general shareholders' meeting is held, the Company shall publicly announce its acceptance of shareholder proposals <u>in writing or electronically</u> 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 general shareholders' meeting and take part in discussion of the proposal.</p> <p>Prior to the date for issuance of notice of a shareholders' meeting, the Company 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. For shareholders' proposals that are not included in the discussion, the board of</p>	<p>shareholders' meeting in person or entrust another to participate in the proposal discussion.</p> <p>The Company shall advise the proposing shareholder of the handling results before the date of notice for the shareholders' meeting and list the proposals conforming to the provision of this Article in the meeting notice. For shareholders' proposals that are not included in the discussion, the board of directors shall explain the reasons for rejection at the shareholders' meeting.</p>	<p>4. In response to new regulations allowing public companies to convene shareholders' meetings virtually, the Company may convene a physical shareholders' meeting or a virtual shareholders' meeting. In order to facilitate shareholders' access to the shareholders' meeting handbook and the supplementary information of the meeting on the day of the shareholders' meeting, whether or not they attend the physical shareholders' meeting or participate virtually; it is therefore proposed to amend the second paragraph and add the fourth paragraph.</p>
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directors shall explain the reasons for rejection at the shareholders' meeting.		
<p>Article 4:</p> <p>For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Company and stating the scope of the proxy's authorization.</p> <p>Each shareholder may only issue one power of attorney to appoint only one proxy, which shall be delivered to the Company five days before the convening shareholders' meeting. In the event of any repetitive powers of attorney, the one served first shall prevail. However, such a provision does not apply to the powers of attorney issued before the declaration of revocation.</p> <p>After a power of attorney is delivered to the Company, shareholders who wish to attend the shareholders' meeting shall notify the Company in writing or electronically of the revocation of the proxy two days before the shareholders' meeting. In the event of overdue revocation, the voting right exercised by the authorized proxy shall prevail.</p> <p><u>After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting virtually, a written notice of proxy cancellation shall be submitted 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.</u></p>	<p>Article 4:</p> <p>For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Company and stating the scope of the proxy's authorization.</p> <p>Each shareholder may only issue one power of attorney to appoint only one proxy, which shall be delivered to the Company five days before the convening shareholders' meeting. In the event of any repetitive powers of attorney, the one served first shall prevail. However, such a provision does not apply to the powers of attorney issued before the declaration of revocation.</p> <p>After a power of attorney is delivered to the Company, shareholders who wish to attend the shareholders' meeting shall notify the Company in writing or electronically of the revocation of the proxy two days before the shareholders' meeting. In the event of overdue revocation, the voting right exercised by the authorized proxy shall prevail.</p>	<ol style="list-style-type: none"> <li>1. The first paragraph to the third paragraph were not amended.</li> <li>2. After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting virtually, a written notice of proxy cancellation shall be submitted to the Company before two business days before the meeting date. Therefore, the fourth paragraph is proposed to be added.</li> </ol>
<p>Article 5: <u>(Principles determining the time and place of a shareholders' meeting)</u></p> <p>The venue for a shareholders' meeting shall be the premises of the Company, 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</p>	<p>Article 5:</p> <p>The venue for a shareholders' meeting shall be the premises of the Company, 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.</p>	<ol style="list-style-type: none"> <li>1. The existing provision is moved to the first item, the content was not amended.</li> <li>2. The second item is added to specify that when the Company holds a virtual-only</li> </ol>

<p>consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</p> <p><u>The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders' meeting.</u></p>		<p>shareholders' meeting, there is no restriction on the location of the meeting.</p>
<p>Article 6: (Preparation of documents such as the attendance book)</p> <p>The Company shall specify in its shareholders' meeting notices the time during which attendance registration for shareholders, <u>solicitors and proxies (hereinafter referred to collectively as "shareholders") will be accepted</u>, the place to register for attendance and other matters for attention.</p> <p>The time during which shareholder attendance registration 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. <u>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 attending the shareholders' meeting in person.</u></p> <p><u>Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards or other certificates of attendance.</u> The Company 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.</p> <p>The Company shall prepare the sign-in book for the attending shareholders to sign in, or the attending shareholders may hand in the sign-in cards in lieu of signing in.</p> <p>The Company shall deliver the meeting</p>	<p>Article 6:</p> <p>The Company shall specify the time and location for shareholder registration in the meeting notice and other matters requiring attention.</p> <p>The preceding registration time shall be at least 30 minutes before the meeting. The registration area shall be identified, and sufficient personnel must be deployed to handle the registration matters.</p> <p><u>A shareholder or the proxy delegated by a shareholder (hereinafter collectively referred to as the "shareholder") shall attend shareholders' meetings based on attendance cards, sign-in cards or other certificates of attendance.</u></p> <p>The Company 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.</p> <p>The Company shall prepare the sign-in book for the attending shareholders to sign in, or the attending shareholders may hand in the sign-in cards in lieu of signing in.</p> <p>The Company shall deliver the meeting handbooks, annual reports, attendance certificates, speech slips, voting ballots, and other meeting materials to the shareholders attending the shareholders' meeting. If there is any election of directors, the election ballots shall be attached.</p>	<ol style="list-style-type: none"> <li>1. The fourth paragraph to the sixth paragraph were not amended.</li> <li>2. In order to clarify the time and procedure for shareholders attending virtually to report attendance; it is therefore proposed to amend the second paragraph.</li> <li>3. In accordance with the short title of the shareholders; it is therefore proposed to amend the third paragraph.</li> <li>4. If a shareholder wishes to attend a shareholders' meeting virtually, he/she shall register with the Company two days prior to the shareholders' meeting.</li> </ol>



<p>handbooks, annual reports, attendance certificates, speech slips, voting ballots, and other meeting materials to the shareholders attending the shareholders' meeting. If there is any election of directors, the election ballots shall be attached.</p> <p>For the shareholder who is a government or legal person, the number of representatives attending the shareholders' meeting is not limited to one person. When a legal person is appointed to attend the shareholders' meeting, only one representative of such a legal person may be appointed to attend the meeting.</p> <p><u>In the event of a virtual shareholders' meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.</u></p> <p><u>In the event of a virtual shareholders' meeting, the Company shall upload the meeting handbook, 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.</u></p>	<p>For the shareholder who is a government or legal person, the number of representatives attending the shareholders' meeting is not limited to one person. When a legal person is appointed to attend the shareholders' meeting, only one representative of such a legal person may be appointed to attend the meeting.</p>	<p>Therefore, it is proposed that the seventh paragraph be added.</p> <p>5. In order to allow shareholders attending virtually to view the meeting handbook, annual report and other related information, the Company shall transmit them to the virtual meeting platform adopted by the shareholders' meeting. Therefore, it is proposed that the eighth paragraph be added.</p>
<p>Article 6-1: (Convening virtual shareholders' meetings and particulars to be included in shareholders' meeting notice)</p> <p>The Company shall convene a virtual shareholders' meeting by stating the following in the notice of the shareholders' meeting:</p> <p>I. <u>Shareholders' participation in virtual conferences and methods of exercising their rights.</u></p> <p>II. <u>The handling of obstacles to the virtual meeting platform due to natural disasters, accidents or other force majeure circumstances, including at least the following:</u></p> <p>(I) The time when the meeting has to be postponed or adjourned due to the persistence of the obstacle before the occurrence of the event and the date when the meeting has to be postponed</p>		<p>1. This article has been newly added.</p> <p>2. In order to inform shareholders of their rights and restrictions on participation in the shareholders' meeting, and clearly specify that the notice of the shareholders' meeting shall include the methods of participation in the virtual</p>



<p>or adjourned.</p> <p>(II) Shareholders who have not registered to participate in the original shareholders' meeting virtually are not allowed to participate in the adjourned or reconvened meeting.</p> <p>(III) 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.</p> <p>(IV) Actions to be taken if the outcome of all proposals has been announced and the extraordinary motion has not been carried out.</p> <p>III. Convene a <u>video</u> shareholders' meeting and include appropriate alternative measures for shareholders who have difficulties in participating in the shareholders' meeting by virtual means.</p>		<p>shareholders' meeting and the exercise of the relevant rights, and the handling of any obstacles to participation in the virtual meeting platform or by means of video conference due to natural disasters, events or other <i>force majeure</i> circumstances. At a minimum, it shall include the date when the meeting must be postponed or adjourned and how soon the meeting should be postponed or adjourned, the provisions of Article 44-20, paragraphs 1, 2, 4, and 5 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the manner in which the results of all motions have been announced and no extraordinary motions have been made, and when the</p>
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		Company convenes a virtual shareholders' meeting, and shall specify the alternative measures available to shareholders who have difficulty participating in the shareholders' meeting by virtual means.
<p>Article 8: (Documentation of a shareholders' meeting by audio or video)</p> <p>The Company, 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 audio-visual materials in 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.</p> <p><u>Where a shareholders' meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.</u></p> <p><u>The information and audio and video recording in the preceding paragraph shall be properly kept by the Company 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.</u></p> <p><u>In case of a virtual shareholders' meeting, it is advisable that the Company</u></p>	<p>Article 8:</p> <p>The Company, 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.</p> <p>The audio-visual materials in 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.</p>	<ol style="list-style-type: none"> <li>1. The first and second paragraphs were not amended.</li> <li>2. With reference to Article 183 of the Company Act and Article 18 of the Regulations Governing Procedure for Board of Directors' Meetings of Public Companies, it is stipulated that the Company shall keep records of the registration, signing-in, reporting, questioning, voting and the results of vote counting of</li> </ol>

<p><u>shall audio and video record the back-end operations interface of the virtual meeting platform.</u></p>		<p>shareholders, and that the Company shall record the entire virtual conference without interruption, and shall retain it properly during the Company's existence and provide it to the person entrusted to handle the virtual conference affairs at the same time. Therefore, it is proposed to add the third and fourth paragraphs.</p> <p>3. In order to preserve the relevant information of the virtual conference as much as possible, in addition to the third paragraph, the Company shall continuously and uninterruptedly record the entire virtual conference, and it is also appropriate to record the back-end operation of the virtual</p>
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		<p>conference. Since simultaneous video recording requires a certain level of computer hardware and software equipment and information security, the Company can specify the feasibility of the equipment in its shareholders' meeting rules of procedures. Therefore, it is proposed to add the fifth paragraph.</p>
<p>Article 9: Attendance at the shareholders' meeting shall be calculated based on shares. Attendance at shareholders' meetings shall be calculated based on number 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 <u>and the shares checked in on the virtual meeting platform</u>, 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 <u>and disclose information concerning the number of non-voting shares and the number of shares represented by shareholders</u> 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</p>	<p>Article 9: Attendance at the shareholders' meeting shall be calculated based on shares. The number of shares held by those present shall be calculated based on the signature book or the sign-in card submitted, plus the number of shares exercising voting rights in writing or electronically. The chair shall call the meeting to order at the appointed meeting time. 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 1 hour, may be made. If the share amount present is still insufficient after 2 postponements but is over one-third of the total issued shares, the chair shall abort the meeting. <u>If the quorum is not met after two postponements as referred to in the</u></p>	<ol style="list-style-type: none"> <li>1. The second and fifth paragraphs were not amended.</li> <li>2. In order to clarify that when the Company's shareholders' meeting is held virtually, the number of shares of shareholders who have attended online shall be added to the calculation of the total number of shares present; it is therefore proposed to amend the first</li> </ol>

<p>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. <u>In the event of a virtual shareholders' meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.</u></p> <p>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. <u>In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6.</u></p> <p>When, prior to the 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.</p>	<p><u>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.</u></p> <p>When, prior to the 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.</p>	<p>paragraph.</p> <p>3. Whereby a shareholders' meeting is held virtually, and if the Chairman of the Company announces that the meeting is adjourned, the Company shall announce the adjournment of the meeting on the virtual meeting platform in order to notify the shareholders immediately; it is therefore proposed to amend the third paragraph.</p> <p>4. If the Company tentatively resolves to convene a separate shareholders' meeting, shareholders who wish to attend virtually shall register with the Company; it is therefore proposed to amend the fourth paragraph.</p>
<p>Article 11: (Shareholder speech)</p> <p>Before a shareholder present delivers a speech in the meeting, he/she must fill out a speech slip that states the main points of his/her address, his/her shareholder account number (or</p>	<p>Article 11:</p> <p>Before a shareholder present delivers a speech in the meeting, he/she must fill out a speech slip that states the main points of his/her address, his/her shareholder</p>	<p>1. The first paragraph to the sixth paragraph were not amended.</p>

<p>attendance certificate number), and account name. The chair shall determine the order of speeches to be delivered. The attending shareholders who only submit the speech slip without making speeches are deemed to have not made speeches. If the content of the spoken speech is inconsistent with the record of speech slip, the content of the spoken speech shall prevail.</p> <p>Each shareholder's speech on the same proposal shall not exceed two times (each time shall not exceed five minutes) without the chairman's consent. However, if the shareholder's speech violates the regulations or exceeds the scope of the agenda, the chairman may stop such a shareholder from making a speech.</p> <p>When an attending shareholder makes a speech, other shareholders shall not interfere with his/her speech unless having obtained the consent of the chairman and the speaking shareholder. The chairman shall stop anyone from violating the provision.</p> <p>When a legal person shareholder appoints two or more representatives to attend the shareholders' meeting, only one of these representatives may make a speech on each proposal.</p> <p>After attending shareholders' speeches, the chairman may reply in person or designate relevant personnel to respond.</p> <p><u>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 declares 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.</u></p> <p><u>As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting</u></p>	<p>account number (or attendance certificate number), and account name. The chair shall determine the order of speeches to be delivered.</p> <p>The attending shareholders who only submit the speech slip without making speeches are deemed to have not made speeches. If the content of the spoken speech is inconsistent with the record of speech slip, the content of the spoken speech shall prevail.</p> <p>Each shareholder's speech on the same proposal shall not exceed two times (each time shall not exceed five minutes) without the chairman's consent. However, if the shareholder's speech violates the regulations or exceeds the scope of the agenda, the chairman may stop such a shareholder from making a speech.</p> <p>When an attending shareholder makes a speech, other shareholders shall not interfere with his/her speech unless having obtained the consent of the chairman and the speaking shareholder. The chairman shall stop anyone from violating the provision.</p> <p>When a legal person shareholder appoints two or more representatives to attend the shareholders' meeting, only one of these representatives may make a speech on each proposal.</p> <p>After attending shareholders' speeches, the chairman may reply in person or designate relevant personnel to respond.</p>	<p>2. In order to specify the manner, procedures and restrictions for shareholders to participate in shareholders' meetings virtually; it is therefore proposed to add the seventh paragraph.</p> <p>3. In order to help other shareholders understand the content of the questions asked by the shareholders, except for those questions that are beyond the scope of the topics of discussion during the shareholders' meeting, the Company should disclose the questions asked by the shareholders on the virtual meeting platform; it is therefore proposed to add the eighth paragraph.</p>
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<p><u>platform.</u></p> <p>Article 13: 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 the Company holds a shareholders' meeting, <u>it shall adopt the exercise of voting rights by electronic means and may adopt the exercise of voting rights by correspondence.</u> When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. Shareholders who exercise their voting rights in writing or electronically are deemed to have attended the shareholders' meeting in person. However, the extraordinary motions and amendments to the original shareholders' meeting proposals shall be deemed as abstentions. Therefore, the Company must avoid proposing Extraordinary Motions and amendments to the original proposals. In the event of exercising voting rights in writing or electronically according to the preceding paragraph, the statement of intent shall be delivered to the Company 2 days before the shareholders' meeting convenes. If there are multiple statements of intent, the first one delivered shall prevail. However, such a provision does not apply to those statements of intent issued prior to the declaration of revocation. 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 <u>or online</u>, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, 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</p>	<p>Article 13: 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 the Company holds a shareholders' meeting, it shall adopt the exercise of voting rights by electronic means and may adopt the exercise of voting rights by correspondence. <u>(companies that shall adopt electronic means to exercise votes according to the proviso provided by Paragraph 1, Article 177-1 of the Company Act: when the Company convenes a shareholders' meeting, voting rights may be exercised by correspondence or electronic means).</u> When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. Shareholders who exercise their voting rights in writing or electronically are deemed to have attended the shareholders' meeting in person. However, the extraordinary motions and amendments to the original shareholders' meeting proposals shall be deemed as abstentions. Therefore, the Company must avoid proposing Extraordinary Motions and amendments to the original proposals. In the event of exercising voting rights in writing or electronically according to the preceding paragraph, the statement of intent shall be delivered to the Company 2 days before the shareholders' meeting convenes. If there are multiple statements of intent, the first one delivered shall prevail. However, such a provision does not apply to those statements of</p>	<ol style="list-style-type: none"> <li>1. The first paragraph to the third paragraph and the fifth paragraph to the eighth paragraph were not amended.</li> <li>2. In order to clarify that a shareholder who wishes to attend a shareholders' meeting virtually after exercising his or her voting rights by correspondence or electronically should first revoke his or her voting rights in the same manner as he or she exercised them; it is therefore proposed to amend the fourth paragraph.</li> <li>3. If the shareholders' meeting is held virtually, in order to provide sufficient voting time for the shareholders participating virtually, voting on each original motion</li> </ol>
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<p>rights already exercised by correspondence or electronic means shall prevail. Suppose the voting rights are exercised in writing or electronically and a proxy is appointed via the power of attorney to attend the shareholders' meeting. In that case, the voting rights exercised by the proxy appointed shall prevail.</p> <p>The vote for a proposal shall be passed with the approval of a majority of the shareholder voting rights present unless otherwise stipulated in the Company Act or the Company's Articles of Incorporation. At the time of voting, shareholders shall vote on a case-by-case basis after the total number of shareholder voting rights present is announced by the chair or the chair's proxy. The shareholders' approval, opposition, and abstention voting results shall be uploaded to the Market Observation Post System on the day after the shareholders' meeting was held.</p> <p>When there are several amendments or alternatives to the same proposal, the chairman shall determine the order of voting on a such proposal with the original one. If one of the proposals resolves, the other proposals shall be deemed rejected, and no further voting is required.</p> <p>The chairman shall designate the scrutineers and vote-counters for voting on the resolution, but the scrutineers shall have the identity as shareholders. The counting of votes for voting on proposals or elections at the shareholders' meeting shall be done at a public place at the venue of the meeting. After the votes are fully counted, the results shall be announced on the spot. They shall include the weight for statistics, and a record shall be made.</p> <p><u>When the Company 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 to have abstained from</u></p>	<p>intent issued prior to the declaration of revocation.</p> <p>After shareholders have exercised their voting rights in writing or electronically, if they wish to attend the shareholders' meeting in person, they must revoke the preceding expressions of intent 2 days prior to the shareholders' meeting the same way they exercised their vote rights. The voting rights exercised in writing or electronically shall prevail if the revocation is overdue. Suppose the voting rights are exercised in writing or electronically and a proxy is appointed via the power of attorney to attend the shareholders' meeting. In that case, the voting rights exercised by the proxy appointed shall prevail.</p> <p>The vote for a proposal shall be passed with the approval of a majority of the shareholder voting rights present unless otherwise stipulated in the Company Act or the Company's Articles of Incorporation. At the time of voting, shareholders shall vote on a case-by-case basis after the total number of shareholder voting rights present is announced by the chair or the chair's proxy. The shareholders' approval, opposition, and abstention voting results shall be uploaded to the Market Observation Post System on the day after the shareholders' meeting was held.</p> <p>When there are several amendments or alternatives to the same proposal, the chairman shall determine the order of voting on a such proposal with the original one. If one of the proposals resolves, the other proposals shall be deemed rejected, and no further voting is required.</p> <p>The chairman shall designate the scrutineers and vote-counters for voting on the resolution, but the</p>	<p>can be cast from the moment the chair declares the meeting open until before the chair announces the voting session ends. Votes shall be counted at once after the chair announces the voting session ends in order to match the voting time of the shareholders participating virtually; therefore, it is proposed to add the ninth and tenth paragraphs.</p> <p>4. When the Company convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting online decide to attend the physical shareholders' meeting in person, they shall revoke their registration two days</p>
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<p><u>voting.</u></p> <p><u>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.</u></p> <p><u>When the Company 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.</u></p> <p><u>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.</u></p>	<p>scrutineers shall have the identity as shareholders.</p> <p>The counting of votes for voting on proposals or elections at the shareholders' meeting shall be done at a public place at the venue of the meeting. After the votes are fully counted, the results shall be announced on the spot. They shall include the weight for statistics, and a record shall be made.</p>	<p>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; it is therefore proposed to add the eleventh paragraph.</p> <p>According to the Ministry of Economic Affairs' Letter Jin-Shang-Zi No. 10102404740 dated February 24, 2012 and Letter Jin-Shang-Zi No. 10102414350 dated May 3, 2012, shareholders who exercise their voting rights electronically and who have not revoked their voting rights may not propose amendments to the original</p>
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		<p>motion and may not exercise their voting rights again.</p> <p>However, on the day of the shareholders' meeting, such shareholders may still attend the shareholders' meeting, and may make extraordinary motions on the spot and exercise their voting rights, taking into account that both electronic voting and voting by correspondence are ways for shareholders to exercise their rights. Based on the principle of fair treatment, voting by correspondence should also follow the spirit of the previous regulations on electronic voting in order to protect the rights and interests of</p>
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		<p>shareholders. It is therefore proposed to stipulate in Article 12 that shareholders who exercise their voting rights by correspondence or electronically may still register to participate in shareholders' meetings through the virtual meeting platform without revoking their expression of intent, but they may not vote on the original motion or amendments to the original motion and may not propose amendments to the original motion, except for extraordinary motions for which they may propose and exercise their voting rights.</p>
Article 15: Matters relating to the resolutions of a	Article 15: Matters relating to the resolutions	1. The first to the

<p>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 production and distribution of meeting minutes may be conducted electronically.</p> <p>The preceding meeting minutes may be announced via upload to the Market Observation Post System.</p> <p>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 <u>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.</u> The minutes shall be retained for the duration of the existence of the Company.</p> <p><u>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 minute-taker'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 <i>force majeure</i> events, and how issues are dealt with shall also be included in the minutes.</u></p> <p><u>When convening a virtual-only shareholders' meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders' meeting online.</u></p>	<p>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 production and distribution of meeting minutes may be conducted electronically.</p> <p>The preceding meeting minutes may be announced via upload to the Market Observation Post System.</p> <p>The minutes must detail the date and venue of the meeting, the meeting chair's name, the key meeting discussions, and the meeting agenda result summary. The minutes shall be retained indefinitely.</p>	<p>third paragraph were not amended.</p> <p>2. In order to facilitate the shareholders' understanding of the results of the virtual shareholders' meeting, the alternative measures for shareholders with difficulties in attending virtually due to the digital divide and the way to deal with interruptions and unforeseen situations, it is proposed to request the Company to record in the meeting minutes, except for requirements as stipulated in paragraph 3, the start time and end time of the shareholders' meeting, how the meeting is convened, the chair's and minute-taker's name and actions to be taken in the event of disruption to the virtual meeting platform or</p>
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		<p>participation in the meeting online due to natural disasters, accidents or other <i>force majeure</i> events and how issues are dealt with. It is therefore proposed to add the fourth paragraph.</p> <p>3. If a virtual shareholders' meeting is convened, the notice of convening shall specify appropriate alternative measures for shareholders who have difficulty participating in the shareholders' meeting by virtual means. It is therefore proposed to add paragraph 5 alternative measures available to shareholders with difficulties due to the digital divide in attending a virtual-only shareholders' meeting online.</p>
<p>Article 16: (Public disclosure)</p> <p><u>On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by</u></p>	<p>Article 16:</p> <p><u>The number of shares acquired by the solicitor and the number of shares represented by the entrusted proxy shall be disclosed in the</u></p>	<p>1. In order for shareholders to know the number of</p>

<p><u>solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means and shall make an express disclosure of the same at the place of the shareholders' meeting. In the event of a virtual shareholders' meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p> <p><u>During the Company's virtual shareholders' meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.</u></p> <p>Suppose matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or GreTai Securities Market) regulations. In that case, the Company shall upload the content of such resolution to the MOPS within the prescribed period.</p>	<p><u>shareholders' meeting on the meeting day in a statistical table compiled under the prescribed format.</u></p> <p>Suppose matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or GreTai Securities Market) regulations. In that case, the Company shall upload the content of such resolution to the MOPS within the prescribed period.</p>	<p>shares solicited by the solicitor and the number of shares represented by proxy, as well as the number of shares attended by written or electronic means, the Company shall expressly disclose them during the shareholders' meeting. If the Company holds a virtual-only shareholders' meeting, it shall be uploaded to the virtual meeting platform; therefore it is proposed to amend paragraph 1.</p> <p>2. In order for the shareholders participating in the virtual shareholders' meeting to know whether or not the number of shareholders' right to attend the meeting has reached the statutory threshold of the shareholders' meeting, it is stipulated that the Company shall disclose</p>
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		<p>the total number of shares of shareholders present on the virtual meeting platform at the time the meeting is called to order and subsequently, if there is any statistical information on the total number of shares and voting rights of shareholders tallied, they shall also be disclosed on the virtual meeting platform again. Therefore, it is proposed to add the second paragraph.</p>
<p>Article 19: (Disclosure of information at virtual meetings)</p> <p>In the event of a virtual shareholders' meeting, the Company 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.</p>		<p>1. This article has been newly added.</p>
<p>Article 20: (Location of the chair and minute-taker of virtual-only shareholders' meeting)</p> <p>When the Company convenes a virtual-only shareholders' meeting, both the chair and minute-taker shall be in the same location and the chair shall declare the address of their location when the meeting is called to order.</p>		<p>1. This article has been newly added.</p>
<p>Article 21: (Handling of disconnection)</p> <p>In the event of a virtual shareholders'</p>		<p>1. This article has</p>

<p>meeting, the Company may offer a simple connection test to shareholders prior to the meeting and provide relevant real-time services before and during the meeting to help resolve communication technical issues.</p> <p>In the event of a virtual shareholders' meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other <i>force majeure</i> events before the chair has announced the meeting adjourned and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply. For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders' meeting online shall not attend the postponed or resumed session. For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders' meeting and have successfully signed in the meeting, but do not attend the postponed 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.</p> <p>During a postponed or resumed session of a shareholders' meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted</p>		<p>been newly added.</p>
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<p>and results have been announced or list of elected directors and supervisors.</p> <p>When the Company convenes a hybrid shareholders' meeting and the virtual meeting cannot continue as described in the second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, still meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue and not be postponed or resumed thereof under the second paragraph is required.</p> <p>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 the meeting agenda of that shareholders' meeting.</p> <p>When postponing or resuming a meeting according to the second paragraph, the Company 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.</p> <p>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 Shareholders' 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, the Company shall handle the matter based on the date of the shareholders' meeting that is postponed or resumed under the second paragraph.</p>		
Article 22: (Handling of digital divide)		

When convening a virtual-only shareholders' meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online.		1. This article has been newly added
<p>Article 23:</p> <p>These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.</p> <p>This procedure was established on October 21, 2003.</p> <p>The 1st amendment was made on May 18, 2006.</p> <p>The 2nd amendment was made on June 11, 2008.</p> <p>The 3rd amendment was made on May 25, 2010.</p> <p>The 4th amendment was made on June 14, 2012.</p> <p>The 5th amendment was made on June 11, 2015.</p> <p>The 6th amendment was made on July 21, 2021.</p> <p>The 7th amendment was made on June 13, 2023.</p>		In accordance with newly added provisions, the order of the articles has been adjusted.

## Appendix 1

### Yeou Yih Steel Co., Ltd. Articles of Incorporation

#### Chapter 1 General Provisions

- Article 1: This Company is organized according to the Company Act under the name of 有益鋼鐵股份有限公司. The Company's English name shall be YEOU YIH STEEL CO., LTD.
- Article 2: The scope of business for this Company is listed at the left:  
I. Stainless steel products heat treatment, leveling, cutting, and pickling processing operations.  
II. Processing and trading of various types of steel.  
III. Machinery and hardware trading businesses.  
IV. The import and export trade businesses for products listed above.  
V. All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3: The Company has established its head office in Kaohsiung City, and branch offices or subsidiaries may be established domestically or overseas upon a resolution of the board of directors as it deems necessary and with competent authority's approval.
- Article 4: The Company may engage in external guarantees for business needs.
- Article 5: The Company may consider the necessity of external reinvestment due to business needs and may serve as a limited liability shareholder of another company through a board of directors resolution. The total investment amount shall not be restricted by the relevant reinvestment quota stipulated in Article 13 of the Company Act.

#### Chapter 2 Shares

- Article 6: The Company's registered capital is NT\$1.2 billion divided into 120 million shares, each share is valued at NT\$10, and the board of directors is authorized to issue the shares in installments according to actual needs.
- Article 7: The Company's shares are issued in registered form under the signatures or seals of the directors representing the Company and are duly issued with authorization. The shares issued by the Company are exempt from printing, but should be registered with a centralized securities depository.
- Article 8: Transfer of shares shall be discontinued within 60 days prior to a regular meeting of shareholders, 30 days prior to an extempore shareholders' meeting, or 5 days prior to the record (base) date scheduled to allocate dividend, bonus, or other interests.
- Article 9: The Company's stock affairs shall be handled according to the "Regulations Governing the Administration of Shareholder Services of Public Companies" set forth by the competent authority.

#### Chapter 3 Shareholders' Meetings

- Article 10: shareholders' meetings are divided into ordinary meetings and extempore meetings. According to the law, an ordinary meeting shall be convened once every year within 6 months after the end of each fiscal year. In contrast, an extempore meeting shall be convened when necessary. Electronic means shall be listed as one of the channels for shareholders to exercise their voting rights when convening a shareholders' meeting, and the relevant operations shall be handled according to the regulations of the competent authority.  
The Company's shareholders' meetings may be held virtually or through other methods as approved by the central competent authority. Video conference meetings shall conform to the conditions, operating procedures, and other matters provided by relevant regulations. Any regulations stipulated by the competent securities authority shall prevail.
- Article 11: Suppose a shareholder is unable to attend the shareholders' meeting in person. In that

case, a proxy can be appointed by completing the Company's proxy form and specifying the delegated authority's scope. In addition to Article 177 of the Company Act, a proxy may also be designated to attend on behalf of a shareholder who is absent pursuant to the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" stipulated by the competent authority.

Article 12: The Company's shareholders shall have one voting right per share, but the Company shall have no voting rights for its self-owned shares obtained pursuant to law.

Article 13: Unless otherwise stipulated in the relevant regulations, any resolutions in a shareholders' meeting shall be approved by a majority vote at a meeting attended by shareholders in person or by proxy representing at least one-half of its outstanding shares. Any resolutions in a shareholders' meeting for matters listed at the left shall be approved by a majority vote at a meeting attended by shareholders in person or by proxy representing at least two-thirds of the total shares issued.

I. Purchasing or merging other domestic and foreign enterprises.

II. Dissolution, liquidation, or division split.

Article 14: shareholders' meetings shall be convened by the board of directors, which the chairman shall chair. In the absence of the chairman, the chairman shall designate a director to act as an agent. When there are 2 or more persons with the right to convene, one person shall be elected from the eligible persons.

Article 15: The resolutions of the shareholders' meeting shall be made into minutes and be signed or sealed by the chair. They shall be distributed to all shareholders within 20 days after the meeting. The distribution of the minutes mentioned above shall be handled according to Article 183 of the Company Act.

#### Chapter 4 Board of Directors and Audit Committee

Article 16: The company has 9 directors, each with a term of 3 years. According to the provisions set forth in Article 14-2 of the Securities and Exchange Act, there shall be at least 3 independent directors among the number of directors above, which shall not be less than one-fifth of the cumulative total number of directors.

The candidate nomination system shall be adopted for director elections according to Article 192-1 of the Company Act. The shareholders' meeting shall elect the directors from a list of candidates, and the directors may be reelected.

The total shareholding ratio of all directors shall comply with the regulations established by the securities regulatory authority.

The Company shall establish the Audit Committee according to Article 14-4 of the Securities and Exchange Act. The Audit Committee shall be composed of no less than 3 independent directors, wherein one of the members shall be the convener.

The Audit Committee's functional duties and other required compliance matters shall be handled according to the applicable laws and regulations or otherwise determined by the board of directors.

Article 17: Suppose the board of directors is short by up to one-third of its members. In that case, the board of directors must call an extempore shareholders' meeting within 30 days to elect the supplemental members, who shall serve out the terms of the vacant members they were elected to replace. Following the public offering of the Company's shares, the board of directors shall call an extempore shareholders' meeting within 60 days to elect the supplemental members.

Article 18: The directors shall organize the board of directors. One chairman shall be appointed during a board of directors meeting with over two-thirds of the directors present and with the support of the majority of attending directors. Depending on the circumstances, one may be elected as a vice chairman in the same manner, and the chairman shall represent the Company externally. In case the chairman is on leave or absent or cannot exercise his/her power and authority for any cause, the proxy thereof

- shall be handled according to the provision of Article 208 of the Company Act.
- Article 19: The directors and supervisors shall be notified 7 days in advance if the Company's board of directors decides to convene a meeting. However, a meeting may convene at any time during an emergency.
- The convening notice mentioned in the preceding paragraph shall state the reason and be executed in correspondence, by email, or fax.
- The directors shall attend in person during the board of director meetings. When a director cannot attend for some reason, the director shall issue a power of attorney, enumerate the scope of authorization for the meeting, and entrust another director to attend on his/her behalf. However, one person is limited to being designated by one director. Independent directors shall attend in person or be represented by other independent directors and not be represented by non-independent directors.
- Article 20: Unless otherwise specified by the Company Act, the Board of Directors' resolutions is passed only if over half of the board members are present during the meeting and the majority of the attending directors vote in favor.
- When the directors have their stakes in the matters of the meeting, they shall explain the important contents of such stakes to the board of directors.
- Article 21: Suppose a director of the Company concurrently holds other positions. In that case, the remuneration payment for the positions shall be handled by the chairman as authorized by the shareholders' meeting according to the Company's internal management provisions.
- Article 22: The traveling expenses, related allowances, and remuneration for the Company's directors shall be authorized by the board of directors and negotiated according to the degree of participation in the Company's operations and the contribution value while referencing the industry's peer standards. The Company shall purchase liability insurance plans that cover the directors' terms of service and protect them from liabilities incurred during their tenure.
- Article 23: The Company's board of directors may establish a remuneration committee or other functional committees according to the business operation needs.

#### Chapter 5 Managerial Officers

- Article 24: The Company shall appoint managerial officers. The managerial officers' appointment, discharge, and remuneration shall be handled according to Article 29 of the Company Act.

#### Chapter 6 Accountants

- Article 25: At the end of each fiscal year, the Company's board of directors shall prepare the list on the left and submit it to the ordinary shareholders' meeting for approval.
- I. Business report.
  - II. Financial statement.
  - III. Proposal for surplus distribution or loss supplement.
- Article 26: If the Company makes a profit for the year, it shall allocate 2% as employee's remuneration and no more than 3% of the director's remuneration. The allocated amount shall be recognized as the current year's expenses. However, where the Company still has accumulated losses, the amount shall be reserved for making up the accumulated loss first.
- If there is any surplus in the company's annual final accounts, it shall be distributed in the following order:
- I. Tax payment.
  - II. Makeup of previous losses
  - III. After deducting items 1 and 2, deposit 10% into the statutory surplus reserve.
  - IV. When necessary, the special surplus reserve may be withdrawn from the current surplus item, or the surplus may be retained at discretion according to

relevant laws or regulations. It must also be included in the surplus distribution after the withdrawal conditions are eliminated and reversed.

- V. The rest shall be handled with the accumulated undistributed surplus of previous years. The board of directors shall draft a surplus distribution plan and submit it to the shareholders' meeting for a resolution on shareholder dividend distribution. However, the principal cannot be used for interest when no surplus exists.

If the Company distributes dividends and bonuses, capital surplus or legal reserve in whole or in part in the form of cash, the Board of Directors is authorized to do so with the presence of at least two-thirds of the directors and the approval of a majority of the directors present and report such decisions to the shareholders' meeting.

Article 27: The Company shall consider its status and growth stage, respond to future capital needs and long-term financial planning, and meet shareholders' demands for cash inflow to allocate over 50% of the distributable surplus when distributing shareholder dividends. Among them, the cash dividend distribution shall not be less than 10% of the total dividends paid for the year. However, if the cash dividend per share is less than NT\$0.1, it shall not be paid and shall be paid as a stock dividend instead. All or part of the surplus distribution in the preceding paragraph may be omitted based on future needs and profit status.

#### Chapter 7 Supplementary Provisions

Article 28: The corporate charter and by-laws of the Company shall be separately prescribed by the Board of Directors.

Article 29: Matters not addressed by this Articles of Incorporation shall be governed by the Company Act and the relevant regulations.

Article 30: The establishment or revision of this Articles of Incorporation shall be implemented after approval by the competent authorities.

Article 31: These Articles of Incorporation were established on December 18, 1995

The 1st amendment was made on October 20, 1997

The 2nd amendment was made on December 31, 1997

The 3rd amendment was made on June 24, 1999

The 4th amendment was made on March 28, 2000

The 5th amendment was made on December 26, 2000

The 6th amendment was made on June 12, 2002

The 7th amendment was made on June 03, 2003

The 8th amendment was made on April 23, 2004

The 9th amendment was made on May 03, 2005

The 10th amendment was made on October 24, 2006

The 11th amendment was made on May 24, 2007

The 12th amendment was made on June 11, 2008

The 13th amendment was made on May 25, 2010

The 14th amendment was made on May 18, 2011

The 15th amendment was made on June 14, 2012

The 16th amendment was made on June 11, 2015

The 17th amendment was made on June 14, 2016

The 18th amendment was made on June 15, 2017

The 19th amendment was made on June 10, 2020

The 20th amendment was made on July 21, 2021

The 21st amendment was made on June 06, 2022



## Appendix 2

### Yeou Yih Steel Co., Ltd.

#### shareholders' meeting Procedure Rules

- Article 1: This Procedure is formulated pursuant to the Company's Corporate Governance Best Practice Principles for compliance to establish a good governance system for shareholders' meetings, improve the supervision capacity, and strengthen the management function.
- Article 2: The Company's Corporation Rules of Procedure for shareholders' meetings shall prevail unless otherwise provided by the laws or the Articles of Incorporation.
- Article 3: Unless otherwise specified by the laws or the Articles of Incorporation, the Company's shareholders' meetings shall be convened by the board of directors. The Company shall, within 30 days prior to a general shareholders' meeting or 15 days before an extempore shareholders' meeting, upload the notice to convene the shareholders' meeting, a power of attorney, the proposals for recognition, discussion, election, or dismissal of directors in electronic formats to the Market Observation Post System. The Company shall also formulate the shareholders' meeting handbook and supplementary materials into electronic files and upload them to the Market Observation Post System at least 21 days before a general shareholders' meeting or 15 days before an extraordinary shareholders' meeting. Prepare the meeting handbook and supplementary materials for the current shareholders' meeting at least 15 days before the meeting, and make them available to shareholders upon request. The materials shall be displayed in the Company and the professional stock agency appointed by the Company and must be distributed on-site during the shareholders' meeting.
- The notice shall specify the reason for the convening; if the counterparty approves the notice, it may be prepared in electronic format.
- Appointment or dismissal of directors, change in the Articles of Incorporation, dissolution, merger, and division of the Company, or the matters stated in Article 185 Paragraph 1 of the Company Act, Article 26-1 and Article 43-6 of the Securities Exchange Act, and Article 56-1 and Article 60-2 of the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" must be listed in the reasons for convening the meeting and cannot be proposed during an extraordinary motion. Shareholders that own more than 1% of the Company's outstanding shares are entitled to propose, in writing, motions for discussion in Annual General Meetings. Only one matter is permitted, and proposals exceeding this limit shall be excluded from the discussion. If a shareholder's proposal involves one of the conditions specified by Paragraph 4, Article 172-1 of the Company Act, the proposal shall be excluded from the board of directors meeting. Before the book closure date and before a regular shareholders' meeting, the Company shall publicly announce that it will receive shareholder proposals and the location and time period for their submission. The period for submission of shareholder proposals may not be less than 10 days. A proposal made by a shareholder shall be limited to 300 characters. Anything exceeding 300 characters shall be excluded. The proposing shareholder shall attend the shareholders' meeting in person or entrust another to participate in the proposal discussion.
- The Company shall advise the proposing shareholder of the handling results before the date of notice for the shareholders' meeting and list the proposals conforming to the provision of this Article in the meeting notice. For shareholders' proposals that are not included in the discussion, the board of directors shall explain the reasons for rejection at the shareholders' meeting.
- Article 4: A shareholder may appoint a proxy to attend a shareholders' meeting on his/her/its behalf by executing a power of attorney stating therein the scope of power

authorized to the proxy.

Each shareholder may only issue one power of attorney to appoint only one proxy, which shall be delivered to the Company five days before the convening shareholders' meeting. In the event of any repetitive powers of attorney, the one served first shall prevail. However, such a provision does not apply to the powers of attorney issued before the declaration of revocation.

After a power of attorney is delivered to the Company, shareholders who wish to attend the shareholders' meeting shall notify the Company in writing or electronically of the revocation of the proxy two days before the shareholders' meeting. In the event of overdue revocation, the voting right exercised by the authorized proxy shall prevail.

Article 5: The shareholders' meeting shall be located within the Company or a place convenient for shareholders attendance and suitable for the shareholders' meeting. The start time of the meeting shall not be earlier than 9 AM or later than 3 PM. The opinions of independent directors must be fully considered in terms of the location and time of the meeting.

Article 6: The Company shall specify the time and location for shareholder sign-in in the meeting notice and other matters requiring attention. The preceding registration time shall be at least 30 minutes before the meeting. The registration area shall be identified, and sufficient personnel must be deployed to handle the registration matters.

A shareholder or the proxy delegated by a shareholder (hereafter referred to as the "shareholder" or "proxy") shall attend a shareholders' meeting based on the participation certificate, sign-in card, or other certificates for participation. The Company shall not arbitrarily demand shareholders to produce additional identification documents for attending the shareholders' meeting. A solicitor who solicits a proxy shall further present his/her identity certificate paper for verification.

The Company shall prepare the sign-in book for the attending shareholders to sign in, or the attending shareholders may hand in the sign-in cards in lieu of signing in. The Company shall deliver the meeting handbooks, annual reports, attendance certificates, speech slips, voting ballots, and other meeting materials to the shareholders attending the shareholders' meeting. If there is any election of directors, the election ballots shall be attached.

For the shareholder who is a government or legal person, the number of representatives attending the shareholders' meeting is not limited to one person. When a legal person is appointed to attend the shareholders' meeting, only one representative of such a legal person may be appointed to attend the meeting.

Article 7: If the board of directors convenes a shareholders' meeting, the meeting shall be chaired by the Chairman of the Board. When the Chairman of the Board is on leave or unable to exercise his/her power and authority, the Vice Chairman is to act as a proxy. Suppose there is no Vice Chairman or the Vice Chairman is also on leave or unable to exercise his/her power and authority for any reason. In that case, the Chairman shall appoint one of the Managing Directors to act as chair, or, if there are no Managing Directors, one of the Directors shall be appointed to serve as chair. Where the Chairman does not make such a designation, the Managing Directors or the Directors shall select one Director as a proxy from among themselves. The chairman of the preceding paragraph shall be a managing director or a director who has served for more than six months and has a proper understanding of the Company's financial and business status. The same applies if the chairman is the representative of the legal person directors.

The shareholders' meeting convened by the Board of Directors shall be chaired by



the Chairperson in person and attended by a majority of the board directors and at least one delegate from each functional committee; also, the attendance shall be documented in the meeting minutes.

If a person convenes the shareholders' meeting with the right to convene other than the board of directors, the chairman shall be the person with the right to convene. If two or more persons have the right to convene meetings, one of such persons shall be elected as the chairman.

The Company may designate appointed lawyers, accountants, or relevant personnel to attend the shareholders' meeting as attendees.

Article 8: The Company, 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 audio-visual materials in the preceding paragraph shall be retained for at least one year. However, if the case involves a lawsuit, the materials shall be retained until the end of the case according to Article 189 of the Company Act.

Article 9: Attendance at the shareholders' meeting shall be calculated based on shares. The number of shares held by those present shall be calculated based on the signature book or the sign-in card submitted, plus the number of shares exercising voting rights in writing or electronically.

The chair shall call the meeting to order at the appointed meeting time. 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 1 hour, may be made. If the share amount present is still insufficient after 2 postponements but is over one-third of the total issued shares, the chair shall abort the meeting.

Suppose the share amount present do not exceed one-third of the total issued shares after 2 postponements. In that case, a tentative resolution may be passed pursuant to the first paragraph in Article 175 of the Company Act, notify the shareholders of the tentative resolution, and reconvene the shareholders' meeting within 1 month.

Suppose the number of shares represented by the shareholders present has reached a majority of the total number of shares issued before the end of the meeting. In that case, the chair shall resubmit the tentative solutions passed to be voted by the shareholders' meeting according to Article 174 of the Company Act.

Article 10: If the board of directors convenes a shareholders' meeting, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order established by the agenda, which may not be changed without a resolution of the shareholders' meeting.

Suppose the shareholders' meeting is convened by a person other than the board of directors who has the right to convene. In that case, the preceding paragraph's provisions shall apply *mutatis mutandis*.

Before the meeting (including extraordinary motions) has been concluded, the chair shall not declare the meeting adjourned without a resolution. Suppose the chair violates the procedure rules and announces the meeting has adjourned. In that case, other members of the Board of Directors shall promptly assist the shareholders present in electing one person to serve as the chair and continue the meeting according to the procedures established by law, and continue the meeting.

The chair must allow adequate time to explain and discuss the various motions, amendments, or extraordinary motions proposed during the meeting. The chair may discontinue further discussions if the issue in question is considered sufficiently discussed to proceed with the voting.

Article 11: Before a shareholder present delivers a speech in the meeting, he/she must fill out a

speech slip that states the main points of his/her address, his/her shareholder account number (or attendance certificate number), and account name. The chair shall determine the order of speeches to be delivered.

The attending shareholders who only submit the speech slip without making speeches are deemed to have not made speeches. If the content of the spoken speech is inconsistent with the record of speech slip, the content of the spoken speech shall prevail.

Each shareholder's speech on the same proposal shall not exceed two times (each time shall not exceed five minutes) without the chairman's consent. However, if the shareholder's speech violates the regulations or exceeds the scope of the agenda, the chairman may stop such a shareholder from making a speech.

When an attending shareholder makes a speech, other shareholders shall not interfere with his/her speech unless having obtained the consent of the chairman and the speaking shareholder. The chairman shall stop anyone from violating the provision.

When a legal person shareholder appoints two or more representatives to attend the shareholders' meeting, only one of these representatives may make a speech on each proposal.

After attending shareholders' speeches, the chairman may reply in person or designate relevant personnel to respond.

Article 12: The voting rights for a shareholders' meeting shall be calculated according to the number of shares.

The number of shares of shareholders without voting rights shall not be included in the total number of issued shares in the resolution of the shareholders' meeting.

Shareholders who have personal interests in the matters discussed in the meeting and may be harmful to the Company's interests shall not participate in voting and shall not exercise their voting rights on behalf of other shareholders.

The stock shares without voting rights referred to above may not be included in the voting right of the attending shareholders.

Except for a trust enterprise or a stock agency approved by the securities competent authority, when two or more shareholders appoint one proxy at the same time, the voting rights of the proxy shall not exceed 3% of the total voting rights of the issued shares. The excess voting rights shall not be included.

Article 13: Shareholders have one voting right per share, except those restricted or have no voting rights pursuant to Paragraph 2, Article 179 of the Company Act.

When the Company convenes a shareholders' meeting, it may adopt electronic or written manners to exercise the voting rights (companies that shall adopt electronic voting according to the proviso provided by Paragraph 1, Article 177-1 of the Company Act: when the Company convenes a shareholders' meeting, it may adopt electronic or written manners to exercise the voting rights). When exercising voting rights in writing or electronically, the method for exercising rights shall be specified in the notice of the convening of the shareholders' meeting. Shareholders who exercise their voting rights in writing or electronically are deemed to have attended the shareholders' meeting in person. However, the extraordinary motions and amendments to the original shareholders' meeting proposals shall be deemed as abstentions. Therefore, the Company must avoid proposing Extraordinary Motions and amendments to the original proposals.

In the event of exercising voting rights in writing or electronically according to the preceding paragraph, the statement of intent shall be delivered to the Company 2 days before the shareholders' meeting convenes. If there are multiple statements of intent, the first one delivered shall prevail. However, such a provision does not apply to those statements of intent issued prior to the declaration of revocation.

After shareholders have exercised their voting rights in writing or electronically, if they wish to attend the shareholders' meeting in person, they must revoke the preceding expressions of intent 2 days prior to the shareholders' meeting the same way they exercised their vote rights. The voting rights exercised in writing or electronically shall prevail if the revocation is overdue. Suppose the voting rights are exercised in writing or electronically and a proxy is appointed via the power of attorney to attend the shareholders' meeting. In that case, the voting rights exercised by the proxy appointed shall prevail.

The vote for a proposal shall be passed with the approval of a majority of the shareholder voting rights present unless otherwise stipulated in the Company Act or the Company's Articles of Incorporation. At the time of voting, shareholders shall vote on a case-by-case basis after the total number of shareholder voting rights present is announced by the chair or the chair's proxy. The shareholders' approval, opposition, and abstention voting results shall be uploaded to the Market Observation Post System on the day after the shareholders' meeting was held.

When there are several amendments or alternatives to the same proposal, the chairman shall determine the order of voting on a such proposal with the original one. If one of the proposals resolves, the other proposals shall be deemed rejected, and no further voting is required.

The chairman shall designate the scrutineers and vote-counters for voting on the resolution, but the scrutineers shall have the identity as shareholders.

The counting of votes for voting on proposals or elections at the shareholders' meeting shall be done at a public place at the venue of the meeting. After the votes are fully counted, the results shall be announced on the spot. They shall include the weight for statistics, and a record shall be made.

Article 14: Where directors are elected in a shareholders' meeting, the election shall be duly handled according to the relevant rules and regulations of the Company. The outcome shall be announced on the spot, including the list of elected directors, the results of the voting, including the statistical tallies of the numbers of votes won. The ballots for election in the preceding paragraph shall be sealed and signed by the scrutineers and be properly preserved for at least one year. However, if the case involves a lawsuit, the materials shall be retained until the end of the case according to Article 189 of the Company Act.

Article 15: 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 production and distribution of meeting minutes may be conducted electronically.

The preceding meeting minutes may be announced via upload to the Market Observation Post System.

The minutes must detail the date and venue of the meeting, the meeting chair's name, the key meeting discussions, and the meeting agenda result summary. The minutes shall be retained indefinitely. Article 16: The number of shares acquired by the solicitor and the number of shares represented by the entrusted proxy shall be disclosed in the shareholders' meeting on the meeting day in a statistical table compiled under the prescribed format.

Suppose matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or GreTai Securities Market) regulations. In that case, the Company shall upload the content of such resolution to the MOPS within the prescribed period.

Article 16: Staff handling administrative affairs of a shareholders' meeting shall wear

identification cards or armbands.

The chairman may direct security personnel to maintain order at the venue. When the security personnel is present to assist in maintaining order, they shall bear armbands or ID cards displaying the word "SECURITY."

If the venue has any amplifying equipment installed, the chairman may stop the shareholders from speaking with such equipment other than those provided by the Company.

Suppose a shareholder violates the procedure rules, does not obey the chairman's corrections, obstructs the progress of the meeting, and refuses to comply. In that case, the chairman may direct the guards or security personnel to ask the shareholder to leave the venue.

Article 17: During a shareholders' meeting, the chair may announce a break at his/her discretion. During a *force majeure* event, the chair may suspend the meeting temporarily and announce the meeting continued at his or her discretion. If the meeting venue cannot continue to be used before the agendas (including special motions) set by the shareholders' meeting are concluded, the shareholders' meeting may decide to find another venue to continue the meeting. The shareholders' meeting may decide to postpone or continue the meeting within 5 days pursuant to Article 182 of the Company Act.

Article 18: These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.

This procedure was established on October 21, 2003.

The 1st amendment was made on May 18, 2006.

The 2nd amendment was made on June 11, 2008.

The 3rd amendment was made on May 25, 2010.

The 4th amendment was made on June 14, 2012.

The 5th amendment was made on June 11, 2015.

The 6th amendment was made on July 21, 2021.

### Appendix 3

#### Yeou Yih Steel Co., Ltd.

#### Director Shareholding Status

I. The Company's paid-in capital is NT\$902,202,600; and the number of shares issued is 90,220,260.

II. Article 26 of the Securities and Exchange Act provided that:

The minimum number of shares held by all directors shall be 7,217,620 shares.

Directors' individual and aggregate shareholding status as of the book closure date (April 15, 2023) prior to this shareholders' meeting is as follows:

Title	Name	Date Elected	Tenure	Number of shares held during the election		Number of shares currently held	
				Number of shares (stocks)	Shareholding ratio	Number of shares (stocks)	Shareholding ratio
Chairperson	Hong Yu Industrial Co., Ltd. Representative: Hsien-Tong Liu	2021/7/21	3 years	1,500,000	1.66%	1,500,000	1.66%
Director	Yusheng Investment & Development Co., Ltd. Company Representative: Ching-Tsung Huang	2021/7/21	3 years	5,409,129	6.00%	5,409,129	6.00%
Director	Hsien-Jung Liu	2021/7/21	3 years	2,208,978	2.45%	1,871,978	2.07%
Director	Chien-Hua Huang	2021/7/21	3 years	2,050,000	2.27%	2,142,000	2.37%
Director	Han-Chun Hsiao	2021/7/21	3 years	1,441,571	1.60%	741,571	0.82%
Director	Hung-Sheng Liu	2021/7/21	3 years	500,000	0.55%	500,000	0.55%
Independent director	Chih-Hsueh Lin	2021/7/21	3 years	0	0.00%	0	0.00%
Independent director	Mei-Yao Chang	2021/7/21	3 years	0	0.00%	0	0.00%
Independent director	Yu-Liang Pan	2021/7/21	3 years	56,000	0.06%	0	0.00%
Total				13,165,678	14.59%	12,164,678	13.48%