

Stock Code: 9962



Yeou Yih Steel Co., Ltd.

Annual report

2024

The annual report is available on the Market Observation Post System (MOPS)
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Yeou Yih Steel Co., Ltd. website
(<http://www.yeouyih.com.tw>)

Prepared by Yeou Yih Steel Co., Ltd.

Published on June 18, 2025

I. Name, job title, contact telephone, and email address of the spokesperson and the deputy spokesperson:

Spokesperson's name: Jui-Hsin Chang	Deputy spokesperson: Chih-Chieh Kuo
Title: President	Title: Finance Manager
Contact Tel: (07)622-5616 ext. 101	Contact Tel: (07)622-5616 ext. 208
Email: vivi@yeouyih.com.tw	Email: chih5@yeouyih.com.tw

II. Address and telephone number of headquarters, branches, and factories:

<u>Item</u>	<u>Address</u>	<u>Tel</u>
Headquarters	No. 2, Yonggong 10th Rd, Yong'an District, Kaohsiung	(07)622-5616
Branch	N/A	N/A
Plant	No. 2, Yonggong 10th Rd, Yong'an District, Kaohsiung	(07)622-5616

III. Name, address, website, and telephone of the stock transfer agency:

Name: Grand Fortune Securities
Address: 6F, No. 6, Section 1, Zhongxiao West Road, Zhongzheng District, Taipei
Website:<http://www.gfortune.com.tw>
Tel: (02)2371-1658

IV. Name, address, website, and telephone of the CPA certifying the latest annual financial report:

CPAs' names: CPAs Shu-Man Tsai and Kuo-Ming Lee
Firm name: Crowe Horwath (TW) CPAs
Address: Rm 1, 27F, No. 6, Siwei 3rd Rd, Lingya District, Kaohsiung
Website:<https://www.crowe.com.tw>
Tel: (07)331-2133

V. Name of exchanges where the Company's securities are traded offshore, and the method of inquiring such offshore securities: N/A.

VI. Company website: <http://www.yeouyih.com.tw/>

Yeou Yih Steel Co., Ltd.

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One. Letter to Shareholders

The stainless steel market in the first half of 2024 was recovering slightly, which drove the output of steelmaking and steel rolling and the price of stainless steel rose slightly. However, the rise in the price of electricity and the oversupply in China have caused the industry to be bearish. The price decline in the second half of the year was a common trend in the stainless steel industry, which directly impacted the export of stainless steel in Taiwan. The Company actively purchased low-cost stainless steel and strengthened its business promotion. Although annual revenue declined, it maintained a profit. In 2024, the Company reported operating revenue of NT\$2.43943 billion, after-tax net profit of NT\$61.09 million, and earnings per share of NT\$0.68.

The stainless steel industry is expected to remain in a consolidation phase in early 2025. The Company will continue implementing cost control measures, procuring competitive raw materials, and managing inventory levels effectively. With the efforts of all colleagues, we aim to successfully achieve the operation goals and create profits to give back to shareholders.

I. 2024 Business Report

(I) Business Plan Implementation Results:

The Company's consolidated profit and loss for 2024 are as follows:

	Unit: NT\$ thousand		
	2024	2023	Difference
Net operating revenue	2,439,431	3,499,597	-1,060,166
Operating cost	2,276,157	3,258,720	-982,563
Gross profit (loss) from operations	163,274	240,877	-77,603
Operating expenses	100,985	99,567	1,418
Operating income	62,289	141,310	-79,021
Non-operating income & expense	14,630	1,235	13,395
Net income before tax	76,919	142,545	-65,626
Income tax	15,828	28,782	-12,954
Net income after tax	61,091	113,763	-52,672
Earnings per Share	NT\$0.68	NT\$1.26	NT\$-0.58
Diluted earnings per share	NT\$0.68	NT\$1.26	NT\$-0.58

(II) Budget execution status: the Company did not disclose its financial forecast 2024, so the budget execution status is not applicable.

(III) Financial revenue/expenditure and profitability analysis:

Item		2024	2023
Financial structure	Debt-to-asset ratio (%)	35.52	21.09
	The ratio of long-term funds to real estate, plant, and equipment (%)	262.66	353.20
Solvency	Current ratio (%)	213.08	375.10
	Quick ratio (%)	29.37	83.95
	Interest coverage ratio	18.48	39.01
Profitability	Return on assets (%)	4.06	7.90
	Return on equity (%)	5.40	9.65
	Ratio accounted for the paid-up capital (%)	Operating income Pre-tax profit	6.90 8.52
	Net profit rate (%)	2.50	3.25
	Earnings per share (NT\$)	0.68	1.26

(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	2024/03/12-2027/05/28
2	Obtained the "PED/AD2000-W0/W2 Pressure Vessel Material Manufacturer" TUV certification	2024/03/12-2027/05/28
3	Passed German "TUV ISO9001: 2015 International Quality Management Qualification" certification	2024/06/04-2027/06/03
4	Obtained the Norwegian "DNV NV304L/NV316L Shipbuilding Materials Factory Verification" certification	2024/10/02-2027/06/30
5	Obtained a "Certificate of Approval for Radiation Detection Work in the Steel	2021/07/05-2027/07/04

	Industry" from the Nuclear Safety Commission, Executive Yuan	
6	Passed the British "SGS ISO14001: 2015 International Environmental Management System" certification	2024/11/11-2027/11/10
(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	2024/04/01-2027/03/31

2. The R&D of the Businesses Operated

- (1) Solution heat treatment
 - a. Regenerative burner solid solution furnaces energy-conservation technology.
 - b. Solid solution furnace uniform temperature control technology.
 - c. Quenching water uniform cooling technology.
- (2) Stainless steel material
 - a. Stainless steel homogenization technology.
 - b. Solution temperature condition and holding time optimization.
 - c. Production of cryogenic pressure vessel materials.
 - d. Flatness optimization technology for thick stainless steel plates.
 - e. Grain size and mechanical property processing capability.
- (3) Stainless steel surface treatment
 - a. Pickling solution concentration optimization technology.
 - b. Pickling process condition optimizing technology.
 - c. Sandblasting and derusting process condition optimization.

3. Successfully developed technologies or products

- (1) Stainless steel materials for low-temperature pressure vessels.
- (2) Construction-use stainless steel materials.
- (3) Ship-building stainless steel materials.
- (4) JIS G4304 compliance stainless steel plates.

II. Overview of 2025 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	31.320	The 2025 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	<ol style="list-style-type: none"> 1. Strengthen communications to enhance cooperative relationships. 2. Strengthen post-sales services and increase client satisfaction.
Product Aspect	<ol style="list-style-type: none"> 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	<ol style="list-style-type: none"> 1. Actively expand domestic and overseas markets and increase product visibility. 2. Deepen client relationships and improve service processes.
Financial Aspect	<ol style="list-style-type: none"> 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 lifting of lockdowns in mainland China in early 2023 was met with a simultaneous confluence of shocks, including credit crises in European and American banks, a string of debt defaults by large Chinese real estate companies, insufficient crude steel adjustment measures in mainland China, and weak steel demand. This "strong supply, weak demand" situation, coupled with frequent geopolitical risks, has repeatedly delayed the recovery of the steel market.

However, recent positive economic developments, including rising PMI indices for manufacturing in both the United States and China, an expansion of the OECD-CLI leading indicator since June of this year, a moderation in global inflation trends, the nearing end of the interest rate hike cycle in Europe and the United States, strengthening leading indicators for the US economy, declining Treasury yields, and easing corporate financing pressures, have bolstered government spending, enhancing the resilience of consumer and employment markets.

Although the global stainless steel industry supply chain has been interrupted by factors such as global inflation and geopolitical risks in 2023, the industry momentum has improved somewhat. However, there is still instability in global economics and trade in the first half of 2024, resulting in a significant increase in short-term demand. The global stainless steel output in the first half of 2024 was 3,051 tons, a 7.3% growth compared to the same period of 2023. China is still the largest supplier of stainless steel in the world. As for the price, the mining area in nickel is under the influence of the conflict, and the LME nickel price has risen significantly. This is a support to the stainless steel price. In Taiwan's industry, the mid-to-downstream supply chain inventory has been reduced to a stable level, which is beneficial to the shipment of steelmakers. The market recovered slightly in the first half of 2024. This led to a slight increase in the output of steelmaking and coil steelmakers in Taiwan and the stainless steel price. However, the rise in the electricity tariff and the oversupply in China have caused the industry to be bearish. Benefiting from the global economic recovery and the strong demand in Taiwan, the industrial activities in Taiwan are becoming more active, particularly in the electronics equipment manufacturing industry. Therefore, the upstream suppliers of relevant stainless steel components are expected to be benefited. As the traditional season will be approaching in Q4, the market momentum will gradually increase. The supply chain connection orders will have a chance to be reversed, which will drive the increase in the capacity of upstream stainless steel.

The nickel price in 2024 has fallen straight. The main reason is that the demand for stainless steel is too weak, coupled with the excessive global nickel supply. Since 2025, the nickel price has rebounded. On January 20, the LME nickel price rose back to US\$16,000 per tonne. Although Trump announced tariffs on Mexico, Canada and China in the past two days, the metal market was shocked, but the nickel price still stayed above US\$16,000 per tonne. The domestic stainless steel manufacturers believe that the Indonesian government may re-issuance the nickel export limit strategy to ensure the price of nickel, and there is also the possibility of the cost support of stainless steel.

Chairman:
Hsien-Tong Liu

Manager:
Jui-Hsin Chang

Accounting supervisor:
Tsun-Chih Chen

Two. Corporate Governance Report

I. Information about directors, president, vice presidents, assistant vice presidents, and heads of various departments and branches

(I) Directors and supervisors

Background of directors and supervisors (I)

April 20, 2025

Title (Note 1)	Nationality or registration location	Name	Gender (age) (Note 2)	Date elected (appointed)	Tenure	Initial election date (Note 3)	Number of shares held at the time of election to office		Number of shares currently held		Shares held by spouse or underage children		Shares held in the names of others		Main (education) experience (Note 4)	Additional posts in the Company and other companies at present	Other heads, directors, or supervisors who are spouses or relatives of second degree			Remark (Note 5)
							Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio			Title	Name	Relation	
Chairman	Republic of China	Hong Yu Industrial Co., Ltd. Representative: Hsien-Tong Liu	Male (71-80)	2024/06/19	3 years	104/06/11	1,500,000 4,000,000	1.66% 4.43%	1,500,000 4,000,000	1.66% 4.43%	0 0	0% 0%	0 0	0% 0%	Master of Business Administration, Rider University, Colorado, USA Chairman of Tang Eng Iron Works Co., Ltd.	Chairman of Yeou Yih Steel Co., Ltd. Chairman of Pacific Harbor Stevedoring Corp.	Director Director	Yi- Chun Liu Hung- Sheng Liu	Father and daughter Father and son	
Director	Republic of China	Hung-Sheng Liu	Male (41-50)	2024/06/19	3 years	101/06/14	500,000	0.55%	500,000	0.55%	0	0% 0%	0	0% 0%	Master of Business Administration, Doctor of Public Administration, University of La Verne, California	Special Assistant to Chairman, Yeou Yih Steel Co., Ltd. Professor of Public Administration at Shih Hsin University Director of Bank of Kaohsiung Co., Ltd.	Chairman Director	Hsien- Tong Liu Yi- Chun Liu	Father and son Brothers and sisters	
Director	Republic of China	Yusheng Investment & Development Co., Ltd. Representative: Ching-Tsung Huang	Male (51-60)	2024/06/19	3 years	089/12/26	5,409,129 0	6.00% 0%	5,409,129 0	6.00% 0%	0 0	0% 0%	0 0	0% 0%	Department of Accounting, Feng Chia University	Vice President of Yusheng Investment & Development Co., Ltd. Chairman of Zichuan Investment Co., Ltd. Director of Xinglong Investment Co., Ltd.	N/A	N/A	N/A	
Director	Republic of China	Chien-Hua Huang	Male (51-60)	2024/06/19	3 years	089/12/26	2,201,000	2.44%	2,242,000	2.49%	0	0% 0%	0	0% 0%	Department of Arts & Culture, National Open University of Kaohsiung	N/A	N/A	N/A	N/A	

Director	Republic of China	Hong Industrial Co., Ltd. Representative: Yi-Chun Liu	Yu (41-50)	Female	2024/06/19	3 years	104/06/11	1,500,000	1.66%	1,500,000	1.66%	0	0%	0	0%	Department of International Business, I-Shou University	Special Assistant to Chairman, Sym Wang Iron Steel Co., Ltd. Chairman of Yijia Development Co., Ltd.	Chairman Director	Hsien-Tong Liu Hung-Sheng Liu	Father and daughter Brothers and sisters	Note 6
Director	Republic of China	Chien-Liang Liu	Male (41-50)	Male	2024/06/19	3 years	2024/06/19	136,103	0.15%	300,103	0.33%	1,013	0%	0	0%	Master's Program from the Department of Public Finance and Taxation, National Kaohsiung University of Science and Technology	Vice President of Yeou Yih Steel Co., Ltd. Business Department Manager for Yeou Yih Steel Co., Ltd.	N/A	N/A	N/A	
Independent Director	Republic of China	Mei-Yao Chang	Female (51-60)	Female	2024/06/19	3 years	107/06/19	0	0%	0	0%	0	0%	0	0%	PhD, Department of Industrial Science and Technology Education, National Kaohsiung Normal University	Full-time Associate Professor of Cheng Shiu University Adjunct Associate Professor of National Kaohsiung University of Science and Technology	N/A	N/A	N/A	
Independent Director	Republic of China	Yu-Liang Pan	Male (61-70)	Male	2024/06/19	3 years	110/07/21	0	0%	0	0%	0	0%	0	0%	Executive Master of Business Administration (EMBA), NSYSU	Special Assistant to Chairman, Qualipoly Chemical Corp.	N/A	N/A	N/A	
Independent Director	Republic of China	Yi-Ting Tsai	Male (51-60)	Male	2024/06/19	3 years	2024/06/19	0	0%	0	0%	0	0%	0	0%	Kaohsiung Medical University Department of Healthcare Administration and Medical Informatics Master's in-service Program in Healthcare Management National Sun Yat-sen University Executive Master of Business Administration (EMBA) in-service Program Master of Management	E-Da Healthcare Group E-Da Hospital Medical Development Center Chief Strategy Officer Associate Dean of Medical Affairs at E-Da Hospital in Pingtung Associate Professor of Medicine at I-Shou University Director of Emergency Medicine at E-Da Hospital Assistant Professor of Medicine at I-Shou University	N/A	N/A	N/A	Note 6

Director	Republic of China	Hsien-Rong Liu	Male (61-70)	110/07/21	3 years	089/12/26	1,801,978	2.00%	1,802,000	1.20%	40,000	0.04%	0	0%	Elementary school Sym Wang Iron Steel Co., Ltd.	Senior Consultant of Yeou Yih Steel Co., Ltd.	Chairman	Hsien-Tong Liu	Brothers	Note 6
Director	Republic of China	Han-Chun Hsiao	Male (71-80)	110/07/21	3 years	104/06/11	741,571	0.82%	741,571	0.82%	0	0%	0	0%	Department of Forestry, National Chung Hsing University Confidential Secretary of Kaohsiung County Government	Chairman of Kaohsiung City Farmers' Association Chairman of Kaohsiung City Farmers' Association	N/A	N/A	N/A	Note 6
Independent Director	Republic of China	Chih-Hsueh Lin	Male (41-50)	110/07/21	3 years	104/06/11	0	0%	0	0%	0	0%	0	0%	Doctoral Graduate from the Department of Computer Science and Engineering, National Sun Yat-sen University Assistant Professor of SHU-TE University Computer and Communication	Professor of the Department of Electronic Engineering, National Kaohsiung University of Science and Technology	N/A	N/A	N/A	Note 6

Note 1: For corporate shareholders, list the names of corporate shareholders and their representatives separately (for corporate shareholder representative, the corporate shareholder's name must be specified), and fill-in Table 1 below.

Note 2: Please list the actual age, and it must be expressed in intervals, such as 41-50 years old or 51-60 years old.

Note 3: Fill-in the time first serving as a director or supervisor of the Company. In case of an interruption, explain why in a note.

Note 4: For experience related to the current position, please state the job title and responsible position if you have worked in a CPA firm or affiliated company during the previous disclosure period.

Note 5: If the Company Chairman, president, or equivalent title holder (top manager) is the same person or are spouses or relatives within the first degree of kinship; please explain the reason, rationality, necessity, and corresponding measures (for example, increase the number of independent directors whereby over half of the directors have never served as employees or managers) related information: None

Note 6: A full re-election of directors was held at the general shareholders' meeting on June 19, 2024, and the list of new directors is: Director Yi-Chun Liu, Director Chien-Liang Liu, Independent Director Yi-Ting Tsai; the list of resigned directors is: Director Sheng-Rong Liu, Director Han-Chun Hsiao, Independent Director Chih-Hsueh Lin.

Dominant shareholders of the institutional shareholder

Names of corporate shareholders (Note 1)	Dominant shareholders of the institutional shareholder (Note 2)
Yusheng Investment & Development Co., Ltd. Company	Lianshuo Investment & Development Co., Ltd. (49.24%), Xinglong Investment & Development Co., Ltd. (24.75%), Weiqiao Investment & Development Co., Ltd. (11.16%), Weihong Investment & Development Co., Ltd. (12.46%)
Hong Yu Industrial Co., Ltd.	Chiung-Hui Liu (20%), Hsien-Tong Liu (31%), Hsin-Ying Lin (21%), Hong-Cheng Liu (8%), Yi-Chun Liu (20%)

Note 1: The name of the juridical person shareholder must be filled in if directors and supervisors are juridical person shareholder representatives.

Note 2: Fill in the names of major shareholders of corporate shareholders (with top 10 shareholding ratio) and shareholding ratios. If the main shareholder is a corporation, fill in Table 2 below.

Note 3: If a corporate shareholder is not a company organization, the preceding names of shareholders and shareholding ratios that must be disclosed shall be the names of the investors or donors and their capital contribution or donation ratios (the announcements of the Judicial Yuan can be referred to for information). If the donor is deceased, add "deceased".

Major shareholders of major corporate shareholders

Names of corporate shareholders	Dominant shareholders of the institutional shareholder
Lianshuo Investment & Development Co., Ltd.	I-Shou Lin (11.40%), Weihong Investment & Development Co., Ltd. (18.25%), Xinglong Investment & Development Co., Ltd.(18.19%), Weiqiao Investment & Development Co., Ltd. (18.10%)
Xinglong Investment & Development Co., Ltd.	I-Shou Lin (31.5%) 、 Yueh-E Tsai Lin (18.52%), Weiqiao Investment & Development Co., Ltd. (19.92%), E-Da Healthcare Group (10.57%), Weihong Investment & Development Co., Ltd.(11.38%)
Weiqiao Investment & Development Co., Ltd.	Xinglong Investment & Development Co., Ltd. (13.01%), Yusheng Investment & Development Co., Ltd. (13.03%), Xinyang Investment & Development Co., Ltd. (13.51%), Lianshuo Investment & Development Co., Ltd. (10.21%), Weihung Investment & Development Co., Ltd. (15.89%), Jiayuan Investment & Development Co., Ltd. (17.43%)
Weihong Investment & Development Co., Ltd.	I-Shou Lin (18.21%), Yieh Hong Enterprise Co., Ltd. (25.41%), Xinglong Investment & Development Co., Ltd. (20.20%), Weiqiao Investment & Development Co., Ltd. (13.4%), Jiayuan Investment & Development Co., Ltd. (11.4%), Lianshuo Investment & Development Co., Ltd. (10.42%)

Note 1: If the major shareholder in Table 1 above is a corporate person, fill in the name of the corporate person.

Note 2: Fill in the names of major shareholders of the legal persons (with top 10 shareholding ratio) and the shareholding ratios.

Note 3: If a corporate shareholder is not a company organization, the preceding names of shareholders and shareholding ratios that must be disclosed shall be the names of the investors or donors and their capital contribution or donation ratios (the announcements of the Judicial Yuan can be referred to for information.). If the donor is deceased, add "deceased".

Information on directors and supervisors (II)

(I) Directors and supervisors

1. Information disclosure on directors' and supervisors' professional qualifications and independent

Qualifications Name	Professional qualifications and experience (Note 1)	Independence status (Note 2)	The number of additional posts as independent directors with other publicly- traded companies
Hsien-Tong Liu	<p>Specialties: Related industry experience (steel industry); enterprise leadership administration.</p> <p>Education: Master of Business Administration, Rider University, Colorado, USA</p> <p>Experience: Chairman of Tang Eng Iron Works Co., Ltd. Chairman of Yeou Yih Steel Co., Ltd. Chairman of Pacific Harbor Stevedoring Corp. Chairman of Kaohsiung Chamber of Commerce Executive Director, All China General Chamber of Commerce</p>	<p>1. Ratio of shares held by the subject, the subject's spouse, or relatives within the second degree of kinship held (or held under the name of others): 14,816,000 shares, 16.42%</p> <p>2. Acting as a director, supervisor, or employee of a company with a specific relationship with this Company: He is the chairman of the Company's 100%-owned reinvestment subsidiary Yeou Yih International Co., Ltd.</p> <p>3. The amount of remuneration received for providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the last 2 years: None.</p>	0
Yi-Chun Liu	<p>Specialties: Product sales and investment planning</p> <p>Education: Department of International Business, I-Shou University</p> <p>Experience: Director of Sym Wang Iron Steel Co., Ltd. Current position: Special Assistant to Chairman, Sym Wang Iron Steel Co., Ltd. Chairman of Yijia Development Co., Ltd.</p>	<p>1. Ratio of shares held by the subject, the subject's spouse, or relatives within the second degree of kinship (or held under the names of others): 14,816,000 shares, 16.42%</p> <p>2. Serving as a director, supervisor, or employee of a company that has a specific relationship with this Company: None.</p> <p>3. The amount of remuneration received for providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the last 2 years: None.</p>	0
Hung-Sheng Liu	<p>Specialties: Administrative management strategy</p> <p>Education: PhD, Public Administration from the</p>	<p>1. Ratio of shares held by the subject, the subject's spouse, or relatives within the second degree of kinship held (or held under the name of</p>	1

	<p>University of La Verne</p> <p>Experience: Independent Director of Powertech Industrial Co., Ltd.</p> <p>Professor and Dean of the Department of Public Policy and Management, I-Shou University</p> <p>Current position: Professor of Public Administration at Shih Hsin University</p> <p>Director of Bank of Kaohsiung Co., Ltd.</p> <p>Chairman of Yeou Yih Steel Co., Ltd.</p>	<p>others): 14,816,000 shares, 16.42%</p> <p>2. Serving as a director, supervisor, or employee of a company that has a specific relationship with this Company: None.</p> <p>3. The amount of remuneration received for providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the last 2 years: None.</p>	
Ching-Tsung Huang	<p>Corporate administration and financial planning</p> <p>Education: Department of Accounting, Feng Chia University</p> <p>Experience: Director of Xinglong Investment Co., Ltd.</p> <p>Vice President of Yusheng Investment & Development Co., Ltd.</p> <p>Chairman of Zichuan Investment Co., Ltd.</p>	<p>1. Ratio of shares held by the subject, the subject's spouse, or relatives within the second degree of kinship (or held under the names of others): None.</p> <p>2. Serving as a director, supervisor, or employee of a company that has a specific relationship with this Company: None.</p> <p>3. The amount of remuneration received for providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the last 2 years: None.</p>	0
Chien-Liang Liu	<p>Specialties: Corporate management and marketing planning</p> <p>Education: Educationaster's Program from the Department of Public Finance and Taxation, National Kaohsiung University of Science and Technology</p> <p>Education: Manager of the Business Department for Yeou Yih Steel Co., Ltd.</p> <p>Current position: Vice President of Yeou Yih Steel Co., Ltd.</p>	<p>1. Ratio of shares held by the subject, the subject's spouse, or relatives within the second degree of kinship held (or held under the name of others): 2,238,003 shares, 2.48%</p> <p>2. Serving as a director, supervisor, or employee of a company that has a specific relationship with this Company: None.</p> <p>3. The amount of remuneration received for providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the last 2 years: None.</p>	0
Chien-Hua Huang	<p>Specialized in financial planning</p> <p>Education: Department of Arts &</p>	<p>1. Ratio of shares held by the subject, the subject's spouse, or relatives</p>	0

	<p>Culture, Open University of Kaohsiung</p> <p>Experience: Supervisor of Yeou Yih Steel Co., Ltd.</p> <p>Ku Yuan Personal Studio</p> <p>Current position: Chairman of Yeou Yih Steel Co., Ltd.</p>	<p>within the second degree of kinship held (or held under the name of others): 7,182,750 shares, 7.96%</p> <p>2. Serving as a director, supervisor, or employee of a company that has a specific relationship with this Company: None.</p> <p>3. The amount of remuneration received for providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the last 2 years: None.</p>	
Yi-Ting Tsai	<p>Specialties: Corporate administration and management, and medical care and health planning</p> <p>Education: Kaohsiung Medical University Department of Healthcare Administration and Medical Informatics Master's in-service Program in Healthcare Management</p> <p>National Sun Yat-sen University Executive Master of Business Administration (EMBA) in-service Program</p> <p>Master of Management</p> <p>Experience: Director of Emergency Medicine at E-Da Hospital Assistant Professor of Medicine at I-Shou University</p> <p>Current position: E-Da Healthcare Group E-Da Hospital Medical Development Center Chief Strategy Officer</p>	<p>1. Ratio of shares held by the subject, the subject's spouse, or relatives within the second degree of kinship (or held under the names of others): None.</p> <p>2. Serving as a director, supervisor, or employee of a company that has a specific relationship with this Company: None.</p> <p>3. The amount of remuneration received for providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the last 2 years: None.</p>	0
Mei-Yao Chang	<p>Specialties: Human Resources Education and Administration</p> <p>Education: PhD, Department of Industrial Science and Technology Education, National Kaohsiung Normal University</p> <p>Experience: Director of Qingyuan Nursery School</p> <p>Current position: Independent Director</p>	<p>1. Ratio of shares held by the subject, the subject's spouse, or relatives within the second degree of kinship (or held under the names of others): None.</p> <p>2. Serving as a director, supervisor, or employee of a company that has a specific relationship with this Company: None.</p> <p>3. The amount of remuneration received for providing business,</p>	0

	of Yeou Yih Steel Co., Ltd. Remuneration Committee Convener of Yeou Yih Steel Co., Ltd. Audit Committee Member of Yeou Yih Steel Co., Ltd. Full-time Associate Professor of Cheng Shiu University Adjunct Associate Professor of National Kaohsiung First University of Science and Technology	legal, financial, accounting, and other services to the Company or its affiliated companies in the last 2 years: None.	
Yu-Liang Pan	<p>Specialties: Administrative Management of Internal Control System</p> <p>Education: Executive Master of Business Administration (EMBA), NSYSU</p> <p>Experience: Kaohsiung County Councilor and Head of Yanchao Township</p> <p>Current position: Independent Director of Yeou Yih Steel Co., Ltd. Remuneration Committee Convener of Yeou Yih Steel Co., Ltd. Audit Committee Member of Yeou Yih Steel Co., Ltd. Special Assistant to Chairman, Qualipoly Chemical Corp.</p>	1. Ratio of shares held by the subject, the subject's spouse, or relatives within the second degree of kinship (or held under the names of others): None. 2. Serving as a director, supervisor, or employee of a company that has a specific relationship with this Company: None. 3. The amount of remuneration received for providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the last 2 years: None.	0

2. Diversity and independence of the board of directors:

2-1. Diversity of the board of directors:

2-1-1. Diversity policy:

The Company has formulated the "Corporate Governance Best Practice Principles" to ensure diversity is considered for the composition of the board of directors as well as appropriate diversified policies for its own operations, operating patterns, and development needs. Said policies shall include, but are not limited to, the following 2 major standards:

- (1) Basic conditions and values: gender, age, nationality, culture, etc.
- (2) Professional knowledge and skills: professional background (such as

law, accounting, industry, finance, marketing, or technology), professional skills, industrial experience, etc.

The members of the board of directors shall generally possess the knowledge, skills, and qualities necessary to perform their duties. The board of directors as a whole must possess the following capabilities to achieve the ideal corporate governance goals:

- (1) Operational judgment capability.
- (2) Accounting and financial analysis capability.
- (3) Operation and management capability.
- (4) Crisis management capability.
- (5) Industry knowledge.
- (6) International market view.
- (7) Leadership capacity.
- (8) Decision-making capacity.
- (9) Sustainability management capacity.

2-1-2. Diversification management objectives:

The Company's board of directors shall guide its strategy, supervise the management, and be responsible to the Company and its shareholders. The operations and arrangements of its corporate governance system must ensure that the board of directors exercises its powers according to the laws, the regulations of the Company's articles of association, or the resolutions of the shareholders' meetings. The specific management objectives are as follows:

- (1) The Company's board of directors must also pay attention to gender equality, and the board members should include at least one female director:

Achievement status: Out of the 9 board members in this term, 2 are female directors.

- (2) The Company's board of directors must focus on operational judgment, operational management, and crisis management capabilities. Over 2/3 of the directors must have the capabilities to manage the relevant core projects:

Achievement status: All 9 directors of the company have operational judgment and operation management capabilities, and 8 directors have crisis management capabilities.

- (3) Independent directors shall not be re-elected for over 3 terms to ensure their independence:

Achievement status: Independent director Mei-Yao Chang was elected for 3 terms, and Yu-Liang Pan for 2 terms; elected for 1 term.

- (4) Among the directors, the ones who are employees of the Company, parent company, subsidiary company, or brother company shall be less than 1/3 (inclusive) of all the directors to achieve the purpose of supervision:

Achievement status: Director Hung-Sheng Liu is serving as the Special Assistant to the Chairman of Yeou Yih Steel Co., Ltd. The other 8 directors are not employees of the Company or its parent company, subsidiary company, or brother company.

2-1-3. Board member diversity policy achievement status:

The directors of the Company have all the necessary knowledge, skills, accomplishments, and industrial decision-making and management capabilities for business execution. The Company has also continued to arrange various advanced training courses for directors to improve their decision-making quality, fulfill their supervisory responsibilities, and strengthen the functions of the board of directors. The Company's 9th board of directors has a total of 9 members, including 3 independent directors, to ensure the board of directors' independence. There is 1 part-time employee, accounting for 11.11%. One female director has been elected to ensure gender equality. The board members have rich operation and management experience. Each member has a related professional background as well as professional knowledge, skills, and accomplishments necessary to perform their respective duties. Among the 9 core competencies, at least 1/3 of the members have the ability to execute the related business. More than 80% of the members have core capabilities related to the Company's 3 core emphases: operation judgment, operation management, and crisis management. The relevant evaluation information is as follows:

Core diversification items Name of director	Gender	Nationality	Currently an employee of the Company?	Year of birth	Operational judgment capability	Financial accounting capability	Operation and management capability	Crisis management capability	Industry knowledge capability	International market view	Leadership capacity	Decision-making capacity	Sustainability management capacity
Hsien-Tong Liu Director	Male	Republic of China	V	41	V	V	V	V	V	V	V	V	V
Yi-Chun Liu Director	Female	Republic of China		71	V	V	V	V	V	V	V	V	V
Ching-Tsung Huang Director	Male	Republic of China		52	V	V	V	V	V	V	V	V	V
Hung-Sheng Liu Director	Male	Republic of China	V	66	V		V	V	V	V	V	V	V
Chien-Liang Liu Director	Male	Republic of China	V	66	V		V	V	V	V	V	V	V
Chien-Hua Huang Director	Male	Republic of China		59	V		V		V			V	V
Mei-Yao Chang Independent director	Female	Republic of China		54	V		V	V	V		V	V	V
Yu-Liang Pan Independent director	Male	Republic of China		43	V	V	V	V	V	V	V	V	V
Yi-Ting Tsai Independent director	Male	Republic of China		57	V	V	V	V	V	V	V	V	V

2-2. Independence of the board of directors:

2-2-1. The Company has 3 independent directors, accounting for 33.30% of the total 9 directors.

2-2-2. The independent directors, Yu-Liang Pan holds 0%, Chih-Hsueh Lin holds 0% and Mei-Yao Chang holds 0%.

2-2-3. None of the independent directors are directors, supervisors, or employees of companies that have a specific relationship with the Company (refer to Article 3, Paragraph 1, Subparagraphs 5-8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies).

2-2-4. All directors have not received any remuneration from the Company or its affiliated companies for business, legal, financial, accounting, and other services provided in the last two years.

2-2-5. Status regarding matters specified in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.

- (1) According to this Act, the board of directors of a company that has issued shares shall establish at least five directors: The company has 9 directors.
- (2) When the government or a juridical person is a shareholder of a public company, its representative shall not be elected or serve as the director and supervisor of the company at the same time unless approved by the competent authority, and Paragraph 2, Article 27 of the Company Act shall not apply: The company has set up an audit committee to replace the supervisor.
- (3) Unless approved by the competent authority, directors shall have over half of the seats and shall not have any of the following relationships ((1) spouse or (2) relatives within the second degree): Among the 9 members of the company's board of directors, Director Hsien-Tong Liu and Director Hung-Sheng Liu are father and son, Director Hsien-Tong Liu and Director Yi-Chun Liu are father and daughter, and Director Hung-Sheng Liu and Director Yi-Chun Liu are siblings.
- (4) Unless approved by the competent authority, at least one seat among supervisors or between supervisors and directors must not have any of the relationships described in any of the preceding paragraphs: Among the 9 members of the company's board of directors, 6 directors do not have the relationship mentioned in the preceding paragraph.

Note 1: Professional qualifications and experience: Describe the professional qualifications and experience of individual directors and supervisors. If they are members of the Audit Committee who have accounting or financial expertise, Financial background and work experience, and specify whether the company does not fall under Article 30 of the Company Act.

Note 2: Independent directors shall specify their independence, including, but not limited to, whether they themselves, their spouse, or relatives within the second degree of kinship have served as directors, supervisors, or employees of the Company or its affiliates; the number and ratio of Company shares held by them, their spouse, or relatives within the second degree of kinship (or under the name of others); whether they have served as directors, supervisors, or employees of a company that has a specific relationship with this Company (refer to Subparagraphs 5 to 8, Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); and the remuneration received for providing business, legal, financial, accounting, and other services to this Company or its affiliates in the last 2 years.

Note 3: For disclosure methods, please refer to the best practice reference examples contained on the TWSE Corporate Governance Center website.

(II) President, vice president, associated director, and supervisor of the various units and branches

April 15, 2024

Title (Note 1)	Nationality	Name	Gender	Date elected (appointed)	Number of shares held		Shares held by spouse or underage children		Shares held in the names of others		Main (education) experience (Note 2)	Concurrent position(s) in other companies now	Managers who are also spouses or relatives within 2nd degree of kinship			Remark (Note 3)
					Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio			Title	Name	Relation	
President	Republic of China	Jui- Hsin Chang	Female	2020/03/09	0	0%	0	0%	0	0%	Master of Marketing from the Manchester Metropolitan University Vice President of Yeou Yih Steel Co., Ltd.	N/A	N/A	N/A	N/A	
Vice President	Republic of China	Chien- Liang Liu	Male	2018/08/01	136,103	0.15%	1,013	0%	0	0%	Master's Program from the Department of Public Finance and Taxation, National Kaohsiung University of Science and Technology Assistant Vice President of the Business Department for Yeou Yih Steel Co., Ltd.	N/A	N/A	N/A	N/A	
Assistant Vice President of the Chairman's Office	Republic of China	Li-Wen Chen	Female	2016/01/01	0	0%	0	0%	0	0%	Department of International Business, Shu-Te University Manager of the Chairman's Office, Yeou Yih Steel Co., Ltd.	N/A	N/A	N/A	N/A	
Assistant Vice President of the Finance Department	Republic of China	Tsun- Chih Chen	Male	2011/05/01	0	0%	0	0%	0	0%	Accounting Department, Feng Chia University Vice President of Accounting for Thinking Electronic Industrial Co., Ltd.	N/A	N/A	N/A	N/A	
Assistant Vice President of the Technology and Production Department	Republic of China	Chien- Hsing Lee	Male	2018/01/02	1,000	0.00%	0	0%	0	0%	Master of Business Management, National Sun Yat- sen University Assistant Manager of Administration Department, Yuan Long Stainless Steel Corp.	N/A	N/A	N/A	N/A	
Assistant Manager of Business Department	Republic of China	Yu-Yi Chiu	Female	2022/11/01	0	0%	0	0%	0	0%	Department of International Business, Shu-Te University Manager of Business Department, Yeou Yih Steel Co., Ltd.	N/A	N/A	N/A	N/A	
Manager of Management Department	Republic of China	Kuo- Tang Chen	Male	2024/04/01	0	0%	0	0%	0	0%	Master of Business Administration, National University of Tainan Manager of Human Resources Department, Green Shepherd Corporation Ltd.	N/A	N/A	N/A	N/A	
Assistant Manager of Audit Office	Republic of China	Mei- Chuan Chen	Female	2025/05/07	0	0%	0	0%	0	0%	Master of Business Administration, National Sun Yat-sen University	N/A	N/A	N/A	N/A	

									Chief Auditor, Hui He Renewable Medicine Co., Ltd.					
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Note 1: Information for the president, vice president, assistant managers, and supervisors of the various departments and branches must be included, and information for any position equivalent to the president, vice president, or assistant manager (regardless of title) must be disclosed.

Note 2: For experience related to the current position, please state the job title and responsible position if you have worked in a CPA firm or affiliated company during the previous disclosure period.

Note 3: Information about the reasons, rationality, necessity, and countermeasures (such as increasing the number of independent directors, having over half of the directors serving concurrently as employees or managers, etc.) must be disclosed when the president or person of equivalent position (top manager) and the chairman are the same person, spouses, or first-tier relatives.

(III) If the Company chairman, president, or person of equivalent position (top manager) are the same person or spouses or first-tier relatives, please explain the reason, rationality, necessity, and corresponding measures: None

II. Remuneration paid to directors, president, and vice presidents in the most recent year

(I) If the Company has any of the following circumstances, the names and remunerations of its directors or supervisors should be disclosed individually. The summarizing and grading method may be used to disclose the names, or the names and remuneration may be disclosed individually (for individual disclosures, please fill in the title, name, and amount individually, but there is no need to fill in the remuneration scale):

1. In case of post-tax losses in individual or parent company only financial reports in the last three years, the names and remuneration of "directors and supervisors" must be disclosed individually. However, this restriction does not apply to those who have generated post-tax net profits in the most recent annual parent company only or individual financial reports and are sufficient to make up for accumulated losses [Note 1].
2. If the shareholding ratio of directors has been insufficient for over three consecutive months in the most recent year, the remuneration of individual directors shall be disclosed. If the shareholding ratio of supervisors in the most recent year has been insufficient for over three consecutive months, the remuneration of individual supervisors shall be disclosed [Note 2].
3. If the average pledge ratio of directors or supervisors is greater than 50% in the most recent three months, the remuneration of individual directors or supervisors whose pledge ratio exceeds 50% shall be disclosed in each respective month [Note 3].
4. If all directors' and supervisors' remuneration accounts for more than 2% of the after-tax profit of all companies listed in the financial report, and if an individual director or supervisor receives remuneration exceeding NT\$15 million, the remuneration of that individual director or supervisor shall be disclosed. (Note: The remuneration of directors and supervisors shall be calculated based on the "Directors' Remuneration" and "Supervisors' Remuneration" in the attached table, excluding the relevant remuneration received by concurrent employees.)
5. A TWSE/GTSM listed company with its corporate governance evaluation result in the most recent year at the lowest level or which has had changes in trading methods, suspension of trading, or termination of listing in the most recent year and up to the date of publication of the annual report, or other matters deemed by the Corporate Governance Evaluation Committee not to be eligible for evaluation. [Note 4]
6. A TWSE/GTSM listed company with the average annual salary of non-managerial full-time employees in the most recent year not reached NT\$500,000. [Note 5]
7. A TWSE/GTSM listed company's after-tax profit in the most recent year has increased by more than 10%, but the average annual salary of non-managerial full-time employees has not increased from that of the previous year. [Note 6]
8. A TWSE/GTSM listed company whose after-tax profit or loss declined by more than 10% and exceeded NT\$5 million in the most recent year, and the average remuneration per director (excluding remuneration for concurrent employees) increased by more than 10% and exceeded NT\$100,000. [Note 7]

(II) A TWSE/GTSM listed company with any conditions listed in the preceding paragraphs (I) or (V) shall individually disclose the remuneration

information of the top 5 executives in terms of remuneration (such as the president, vice president, chief executive officer, or chief financial officer).

[Note 1] Take the 2019 annual report prepared for the 2020 shareholders meeting as an example, if the company has a parent company only or an individual financial report showing a after-tax loss in any year from 2017 to 2019, it shall adopt an individual disclosure method. However, even if the parent company only or individual financial reports in 2017 and/or 2018 have after-tax losses, individual disclosure may not be adopted if the after-tax net profit in the parent company only or individual financial report n 2019 is sufficient to make up for the accumulated loss.

[Note 2] Take the 2009 annual report preparation at the 2010 shareholders meeting as an example. Suppose the shareholding ratio of the directors or supervisors is insufficient for more than 3 consecutive months during the period from January 2009 to December 2009, then an individual disclosure should be made respectively. Individual disclosures shall also be adopted for cases where the insufficient shareholding ratios have lasted for over 3 consecutive months (that is, November and December of 2008 and January of 2009).

[Note 3] Take the 2009 annual report preparation for the 2010 shareholders meeting as an example, if in any months of February, May, or August 2009, the average pledge ratio of all directors in the month is greater than 50%, the remuneration of individual directors with pledge ratios greater than 50% in the month of February, May, or August 2009 should be disclosed; if a supervisor has an average qualification ratio greater than 50% for three consecutive months, the remuneration of individual supervisors with a pledge ratios greater than 50% in the month should be disclosed.

※Monthly average pledge ratio of all directors: number of shares pledged by all directors/shares held by all directors (including the number of trust shares that retain decision-making rights); monthly average pledge ratio of all supervisors: number of shares pledged by all supervisors/shares held by all supervisors (including the number of trust shares that retain decision-making rights).

[Note 4] Take the 2023 annual report prepared by the 2024 annual shareholders meeting as an example. When the annual report by the shareholders meeting of a TWSE/GTSM listed company is published according to the corporate governance evaluation results usually announced in April each year, the latest (such as 2023) corporate governance evaluation results (such as 2022) may be used if the corporate governance evaluation results of the most recent year have not yet been announced. After the latest annual corporate governance evaluation results are announced, if it was the last two bracket of corporate governance evaluation and the bracket and name disclosure were adopted for the original remuneration disclosure method, the shareholders meeting annual report must be amended immediately and uploaded to the Market Observation Post System to ensure comprehensive information disclosure.

[Note 5] Take the 2021 annual report preparation by the 2022 annual shareholders meeting as an example. Suppose that a TWSE/GTSM listed company prepares the shareholders meeting annual report after the end of the most recent year (i.e., 2021). In that case, it has been possible to completely collect the average annual salary data of full-time employees who are not in supervisory positions in the most recent year (2021). Therefore, the most recent year (2021) should be used to evaluate whether it has not reached NT\$500,000, and the remuneration of individual directors and supervisors in the most recent year must be disclosed.

[Note 6] For example, taking the 2023 shareholders' meeting to prepare the 2024 annual report as an example, if a publicly listed company's after-tax net profit for 2023 increases by 10% or more compared to 2022 (including cases where the company had a loss in 2022 and a profit in 2023), but the annual salary of a full-time employee who does not hold a non-managerial position and has not increased from that in 2022, the remuneration of each director shall be disclosed separately. Net profit after tax refers to the net profit after tax listed in the parent company only or individual financial reports in the most recent year. The definition and calculation method of full-time employees and their salaries are handled in accordance with the regulations stipulated by the Taiwan Stock Exchange Corporation for information reporting by listed companies and offshore fund institutions of exchange-traded funds, as well as the regulations stipulated by the Taipei Exchange for information reporting by TPEx-listed companies. This includes the reporting procedures for "salary information of full-time employees not holding managerial positions".

[Note 7] For example, taking the 2023 shareholders' meeting to prepare the 2024 annual report as an example, the financial report of TPEx-listed company in 2023 showed a decline of more than 10% in the after-tax profit and loss compared to 2022, and the amount of more than NT\$5 million (whether the Company If the remuneration to each director (excluding remuneration to concurrently serving as employees) is increased by 10% and exceeds NT\$100,000, the remuneration paid to each director shall be disclosed. Net loss after tax refers to the net loss after tax listed in the parent company only or individual financial reports in the most recent year.

(1-1) Remuneration for general directors and independent directors (individual name and remuneration disclosure method): N/A

Unit: NTS thousand/thousand shares

1. Please describe the remuneration payment policies, systems, standards, and structure for independent directors as well as the relationship between the remuneration amounts and their duties, risks, and tenure:

2. Other than the disclosure in the table above, the remuneration received by the directors of the Company for services rendered in the most recent year (such as acting as consultants to non-employees of the parent company/any company in the financial report/reinvested business, etc.):

(1-2-1) Remuneration of general directors and independent directors (summarize and disclose the names and remuneration methods in tiers)

Unit: NTS thousand/thousand shares

Title	Name (Note 4)	Remuneration to the directors						The sum of A, B, C and D and the ratio of it to profit after tax (Note 10)	Remuneration to directors who are also employees						The sum of A, B, C, D, E, F and G and the ratio of it to profit after tax (Note 10)	Remuneration received from invested companies other than subsidiaries and the parent company (Note 11)						
		Remuneration (A) (Note 2)		Severance payment and pension (B)		Remuneration to directors (C) (Note 3)			Salary, bonus, and special subsidy (E) (Note 5)		Severance payment and pension (F)		Remuneration to employees (G) (Note 6)									
		The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)	The Company	All companies in the financial report (Note 7)					
Director	Chairman	Hong Yu Industrial Co., Ltd. Representative: Hsien-Tong Liu	0	0	0	1,599	1,599	360	360	1,959 3.2067	1,959 3.2067	5,561	5,561	25	25	68	0	68	0	7,613 12.4617	7,613 12.4617	0
	Director	Hong Yu Industrial Co., Ltd. Yi-Chun Liu																				
	Director	Hung-Sheng Liu																				
	Director	Yusheng Investment & Development Co., Ltd. Representative: Ching-Tsung Huang																				
	Director	Chien-Liang Liu																				
	Director	Chien-Hua Huang																				
	Director	Han-Chun Hsiao																				
Independent director	Independent director	Hsien-Rong Liu	648	648	0	0	0	390	390	1,038 1.6991	1,038 1.6991	0	0	0	0	0	0	1,038 1.6991	1,038 1.6991	0		
	Independent director	Mei-Yao Chang																				
	Independent director	Yu-Liang Pan																				
	Independent director	Yi-Ting Tsai																				
Independent director	Independent director	Chih-Hsueh Lin																				

1. Please describe the remuneration payment policies, systems, standards, and structure for independent directors as well as the relationship between the remuneration amounts and their duties, risks, and tenure:

The salary of the Company's independent directors is determined by considerations such as positions held, responsibilities, risks, and time invested regarding industry standards for similar roles. After passing the Remuneration Committee's resolution, it shall be submitted to the board of directors for approval. The other traveling expenses shall be paid similarly to those paid to other directors and supervisors.

2. Other than the disclosure in the table above, the remuneration received by the directors of the Company for services rendered in the most recent year (such as acting as consultants to non-employees of the parent company/any company in the financial report/reinvested business, etc.): President Hsien-Rong Liu retired on 2020/02/20 and became a senior consultant. This year, he received a consulting fee of NTS1,400 thousand.

* Relevant information on directors (ordinary directors who are not independent directors) and independent directors should be listed separately

(1-2-2) Remuneration Tier Table

Remuneration tier for individual Directors of the Company	Name of director			
	Total remuneration for the first 4 items (A+B+C+D)		Total remuneration for the first 7 items (A+B+C+D+E+F+G)	
	The Company (Note 8)	All companies included in the consolidated financial statements (Note 9) H	The Company (Note 8)	All companies included in the consolidated financial statements (Note 9) I
Less than NT\$1,000,000	All	All	Yu Sheng Company - Ching-Tung Huang, Chien-Hua Huang; Hung Yu Company - Yi-Chun Liu, Yung-Liang Pan, Yih-Ting Tsai, Mei-Yao Chang, Han-Chun Hsiao, Hsien-Rong Liu, and Chih-Hsueh Lin	Yu Sheng Company - Ching-Tung Huang, Chien-Hua Huang; Hung Yu Company - Yi-Chun Liu, Yung-Liang Pan, Yih-Ting Tsai, Mei-Yao Chang, Han-Chun Hsiao, Hsien-Rong Liu, and Chih-Hsueh Lin
NT\$1,000,000 (inclusive)~NT\$2,000,000 (exclusive)	N/A	N/A	Hung-Sheng Liu, Chien-Liang Liu	Hung-Sheng Liu, Chien-Liang Liu
NT\$2,000,000 (inclusive)~NT\$3,500,000 (exclusive)	N/A	N/A	N/A	N/A
NT\$3,500,000 (inclusive)~NT\$5,000,000 (exclusive)	N/A	N/A	Hong Yu Company- Hsien-Tong Liu	Hong Yu Company- Hsien-Tong Liu
NT\$5,000,000 (inclusive)~NT\$10,000,000 (exclusive)	N/A	N/A	N/A	N/A
NT\$10,000,000 (inclusive)~NT\$15,000,000 (exclusive)	N/A	N/A	N/A	N/A
NT\$15,000,000 (inclusive)~NT\$30,000,000 (exclusive)	N/A	N/A	N/A	N/A
NT\$30,000,000 (inclusive)~NT\$50,000,000 (exclusive)	N/A	N/A	N/A	N/A
NT\$50,000,000 (inclusive)~NT\$100,000,000 (exclusive)	N/A	N/A	N/A	N/A
Over NT\$100,000,000	N/A	N/A	N/A	N/A
Total	Totally 12 people	Totally 12 people	Totally 12 people	Totally 12 people

Note 1: The names of directors (for corporate shareholders, the names of corporate shareholders and representatives must be listed respectively) as well as general directors and independent directors must be shown separately, and the various payment amounts must be listed using the summary disclosure method. This Table and Tables (3-1), (3-2-1), or (3-2-2) must be filled-out if a director also acts as a president or vice president.

Note 2: It indicates the remuneration paid to Directors (including Directors' salaries, duty allowances, severance pay, various bonuses and incentives, etc.) for the most recent fiscal year.

Note 3: The distribution amount of remuneration to Directors approved by the Board of Directors for the most recent fiscal year shall be provided.

Note 4: It indicates the expenses related to business execution by directors (including travel expenses, special disbursement, allowances, accommodation, company car, and other physical items) for the most recent fiscal year. Where houses, cars, other means of transportation, or expenditures exclusively for individuals are offered, the nature and costs of the provided assets, the actual rent or fair market rent, fuel expenses, and other benefits shall be disclosed. If a driver is designated, please explain the compensation paid to the driver by the company in the notes, but do not include it in the remuneration.

Note 5: It indicates the remuneration paid to a director who is also an employee (position held currently as president, assistant president, other managerial officers, or an employee), including directors' salaries, duty allowances, severance pay, various bonuses and incentives, etc., for the most recent fiscal year. Where houses, cars, other means of transportation, or expenditures exclusively for individuals are offered, the nature and costs of the provided assets, the actual rent or fair market rent, fuel expenses, and other benefits shall be disclosed. If a driver is designated, please explain the compensation paid to the driver by the company in the notes, but do not include it in the remuneration. In addition, the salaries recognized by IFRS 2 "Share-based Payment;" including the employee stock option certificates, new shares with restricted employee rights, and shares from capital increase in cash which shall also be calculated as compensation.

Note 6: It is the employees' remuneration (including stocks and cash) received by a Director who is also an employee (including the position held currently as president, assistant president, other managerial officer, or employee) for the most recent year, the distribution amount of employees' remuneration approved by the Board of Directors for the most recent fiscal year shall be disclosed. If the amount cannot be estimated, the proposed distribution amount for this year shall be calculated based on the actual distribution amount last year, and Table 1-3 should also be filled out.

Note 7: The total remunerations paid to Directors of this Company by companies in the consolidated financial statements (including this Company) shall be disclosed.

Note 8: The total remunerations paid to Directors by this Company, the name of a Director shall be disclosed in the corresponding remuneration range.

Note 9: The names of the directors must be disclosed in the attributable pay grade of the various remuneration amounts paid to the various directors by all of the companies listed in the consolidated report (including this Company).

Note 10: Profit after tax refers to the profit after tax listed in the parent company only or individual financial report in the most recent year.

Note 11: a. Reinvestment enterprise-related remuneration received by the Company's directors from sources other than subsidiary companies must be clearly listed in this column (if none, please fill in "none").

b. If the Company's directors have received transfer investee enterprise-related remuneration amounts from sources other than a subsidiary company or parent company, said remunerations received by the Company's supervisors from sources other than a subsidiary company or parent company must be filled in the I column of the remuneration pay-grade table. The column shall be renamed "parent company and all investee enterprises."

c. Remuneration refers to the compensation, remuneration (including employee, director's and supervisor's remuneration) and business execution expenses related to the director's role as a director, supervisor or manager of an investee business other than a subsidiary or a parent company of the Company.

* The content of remuneration as disclosed in this table is different from the concept under the Income Tax Act, which is for disclosure only and not for taxation purposes.

(2-1) Remuneration for supervisors (individual name and remuneration disclosure method):
N/A

Unit: NT\$ thousand

Title	Name	Supervisor remuneration						The sum of A, B and C and the ratio of it to profit after tax (Note 8)	Compensation paid from invested companies other than the company's subsidiaries (Note 9)		
		Remuneration (A) (Note 2)		Remuneration (B) (Note 3)		Business execution expenses (C) (Note 4)					
		All companies in the financial report (Note 5)	The Company	All companies in the financial report (Note 5)	The Company	All companies in the financial report (Note 5)	The Company				

(2-2-1) Remuneration of supervisors (summarize and disclose the names and remuneration methods in tiers): Not applicable

Unit: NT\$ thousand

Title	Name	Supervisor remuneration						The sum of A, B and C and the ratio of it to profit after tax (Note 8)	Compensation paid from invested companies other than the company's subsidiaries (Note 9)		
		Remuneration (A) (Note 2)		Remuneration (B) (Note 3)		Business execution expenses (C) (Note 4)					
		All companies in the financial report (Note 5)	The Company	All companies in the financial report (Note 5)	The Company	All companies in the financial report (Note 5)	The Company				

(2-2-2) Remuneration pay-grade scale table: Not applicable

Remuneration bracket for individual supervisors of the Company	Supervisor name		
	Total amount for the preceding three remunerations (A+B+C)		
	The Company (Note 6)	All the companies in the Company's financial report (Note 7) D	
Less than NT\$1,000,000			
NT\$1,000,000 (inclusive)~NT\$2,000,000 (exclusive)			
NT\$2,000,000 (inclusive)~NT\$3,500,000 (exclusive)			
NT\$3,500,000 (inclusive)~NT\$5,000,000 (exclusive)			

NT\$5,000,000 (exclusive)	(inclusive)~NT\$10,000,000		
NT\$10,000,000 (exclusive)	(inclusive)~NT\$15,000,000		
NT\$15,000,000 (exclusive)	(inclusive)~NT\$30,000,000		
NT\$30,000,000 (exclusive)	(inclusive)~NT\$50,000,000		
NT\$50,000,000 (exclusive)	(inclusive)~NT\$100,000,000		
Over NT\$100,000,000			
Total	Totally ____ persons	Totally ____ persons	

Note 1: The names of the supervisors must separately list (for corporate shareholders, the names of corporate shareholders and representatives should be listed respectively) the various amounts paid using the summarized disclosure method.

Note 2: Means supervisors' remuneration for the most recent year (including supervisor salary, additional duty payments, severance pay, various bonuses, or incentive payments).

Note 3: The distribution amount of remuneration to supervisors approved by the board of directors for the most recent fiscal year shall be provided.

Note 4: The business execution expenses of supervisors in the past year (including transportation allowance, special allowance, stipends, dormitory, and car). Where houses, cars, other means of transportation, or expenditures exclusively for individuals are offered, the nature and costs of the provided assets, the actual rent or fair market rent, fuel expenses, and other benefits shall be disclosed. If a driver is designated, please explain the compensation paid to the driver by the company in the notes, but do not include it in the remuneration.

Note 5: The total amount of remunerations paid to the various supervisors of this Company by all of the companies (including this Company) listed in the consolidated report must be disclosed.

Note 6: The total remunerations paid to supervisors by this Company and the supervisors' names shall be disclosed in the corresponding remuneration range.

Note 7: The names of the supervisors must be disclosed in the attributable pay grade of the various remuneration amounts paid to the various supervisors by all of the companies listed in the consolidated report (including this Company).

Note 8: Profit after tax refers to the profit after tax listed in the parent company only or individual financial report in the most recent year.

Note 9: a. Reinvestment enterprise-related remuneration received by the Company's supervisors from sources other than subsidiary companies must be clearly listed in this column (if none, please fill in "none").

b. If the Company's supervisors have received transfer investment enterprise-related remuneration amounts from sources other than a subsidiary company or parent company, said remunerations received by the Company's supervisors from sources other than a subsidiary company or parent company must be filled in the D column of the remuneration pay-grade table. The column shall be renamed "parent company and all transfer investment enterprises."

c. Remuneration refers to the salaries, compensations (including employee, director, and supervisor salaries), operation implementation costs related payments received by this Company's supervisors who have served as a director, supervisor, or manager of reinvestment companies other than a subsidiary or a parent company.

* The content of remuneration as disclosed in this table is different from the concept under the Income Tax Act, which is for disclosure only and not for taxation purposes.

(3-1) Remuneration for president and vice president (name and remuneration disclosure method) N/A

Unit: NTS thousand/thousand shares

Title	Name	Salaries (A) (Note 2)		Severance payment and pension (B)		Bonuses and special subsidies (C) (Note 3)		Employees' remuneration(D) (Note 4)				The sum of A, B, C and D and the ratio of it to profit after tax (%) (Note 8)		Remuneration received from invested companies other than subsidiaries and the parent company (Note 9)	
		The Company	All companies in the financial report (Note 5)	The Company	All companies in the financial report (Note 5)	The Company	All companies in the financial report (Note 5)	The Company		All companies in the financial report (Note 5)		The Company	All companies in the financial report (Note 5)		
								Cash amount	Stock amount	Cash amount	Stock amount				

Note: Regardless of title, anyone whose position is equivalent to the president or vice president (for example: president, chief executive officer, or director) must be disclosed.

(3 -2 -1) Remunerations for president and vice presidents (summarize and disclose the names and remuneration methods in tiers)

Unit: NT\$ thousand

Title	Name	Salaries (A) (Note 2)		Severance payment and pension (B)		Bonuses and special subsidies (C) (Note 3)		Employees' remuneration(D) (Note 4)				The sum of A, B, C and D and the ratio of it to profit after tax (%) (Note 8)		Remuneration received from invested companies other than subsidiaries and the parent company (Note 9)	
		The Company	All companies in the financial report (Note 5)	The Company	All companies in the financial report (Note 5)	The Company	All companies in the financial report (Note 5)	The Company		All companies in the financial report (Note 5)		The Company	All companies in the financial report (Note 5)		
								Cash amount	Stock amount	Cash amount	Stock amount				
President	Jui-Hsin Chang														
Vice President	Chien-Liang Liu														
Assistant Vice President	Tsun-Chih Chen	7,344	7,344	383	383	1,820	1,820	113	0	113	0	9,66015.81	9,66015.81	N/A	
Assistant Vice President	Li-Wen Chen														
Assistant Vice President	Chien-Hsing Lee														

Note 1: Regardless of title, anyone whose position is equivalent to the president or vice president (for example: president, chief executive officer, or director) must be disclosed.

(3-2-2) Remuneration bracket

Range of Remunerations Paid to various president and vice Presidents	Names of president and vice Presidents	
	The Company (Note 6)	All companies in the financial report (Note 7)
Less than NT\$1,000,000	N/A	N/A
NT\$1,000,000 (inclusive)~NT\$2,000,000 (exclusive)	Chien-Liang Liu, Tsun-Chih Chen, Li-Wen Chen, Chien-Hsing Lee	Chien-Liang Liu, Tsun-Chih Chen, Li-Wen Chen, Chien-Hsing Lee
NT\$2,000,000 (inclusive) to NT\$3,500,000 (exclusive)	Jui-Hsin Chang	Jui-Hsin Chang
NT\$3,500,000 (inclusive) to NT\$5,000,000 (exclusive)	N/A	N/A
NT\$5,000,000 (inclusive)~NT\$10,000,000 (exclusive)	N/A	N/A
NT\$10,000,000 (inclusive) to NT\$15,000,000 (exclusive)	N/A	N/A
NT\$15,000,000 (inclusive) to NT\$30,000,000 (exclusive)	N/A	N/A
NT\$30,000,000 (inclusive) to NT\$50,000,000 (exclusive)	N/A	N/A
NT\$50,000,000 (inclusive) to NT\$100,000,000 (exclusive)	N/A	N/A
Over NT\$100,000,000	N/A	N/A
Total	5	5

Note 1: The names of president and vice presidents must be separately listed, and the various remuneration amounts must be disclosed using the summary method. This Table and Tables (1-1), (1-2-1), or (1-2-2) must be filled-out if a director also acts as a president or vice president.

Note 2: Fill in the salaries, additional duty payments, and severances for the president and vice presidents in the most recent year.

Note 3: Fill in the various physical provisions such as bonuses, incentive payments, travel expenses, special expenses, allowances, dormitories, vehicles, and other compensation amounts for the president and vice presidents in the most recent year. Where houses, cars, other means of transportation, or expenditures exclusively for individuals are offered, the nature and costs of the provided assets, the actual rent or fair market rent, fuel expenses, and other benefits shall be disclosed. If a driver is designated, please explain the compensation paid to the driver by the company in the notes, but do not include it in the remuneration. In addition, the salaries recognized by IFRS 2 "Share-based Payment;" including the employee stock option certificates, new shares with restricted employee rights, and shares from capital increase in cash which shall also be calculated as compensation.

Note 4: Fill in the amount of employee remuneration for the top five highest-paid executives passed by the board of directors in the most recent year (including stocks and cash). If the amount cannot be estimated, the proposed distribution amount for this year shall be calculated based on the actual distribution amount last year, and Table 1-3 should also be filled out.

Note 5: The total amount of the various remunerations paid to this company's president and vice presidents by all companies (including this Company) listed in the consolidated report must be disclosed.

Note 6: The names of president and vice presidents must be disclosed in their attributable pay grades for the various remuneration amounts paid to the various president and vice presidents by this Company

Note 7: The names of the president and vice presidents must be disclosed in their attributable pay grades of the various remuneration amounts paid to the various president and vice presidents by all companies listed in the consolidated report (including this Company).

Note 8: Profit after tax refers to the profit after tax listed in the parent company only or individual financial report in the most recent year.

Note 9: a. Transfer investment enterprise-related remuneration amounts received by the Company president or vice president from sources other than a subsidiary company or a parent company must be clearly listed in this column (if none, please fill in "none").

b. If the company's president or vice president has received transfer investment enterprise-related remuneration amounts from sources other than a subsidiary company or a parent company, said remunerations received by the company's president or vice president from sources other than a subsidiary company or a parent company must be filled in column E of the remuneration pay-grade table. The column shall be renamed "parent company and all transfer investment enterprises."

c. Remuneration refers to the salaries, compensations (including employee, director, and supervisor salaries),

operation implementation costs related payments received by this company's president or vice president who has served as a director, supervisor, or manager of reinvestment companies other than a subsidiary or a parent company.

* The content of remuneration as disclosed in this table is different from the concept under the Income Tax Act, which is for disclosure only and not for taxation purposes.

(4-1) The remunerations for the top 5 executives in terms of remuneration of a TWSE/GTSM listed company (individual name and remuneration disclosure method) (Note 1)

Unit: NT\$ thousand

Title	Name	Salaries (A) (Note 2)		Severance payment and pension (B)		Bonuses and special subsidies (C) (Note 3)		Employees' remuneration(D) (Note 4)				The sum of A, B, C and D and the ratio of it to profit after tax (Note 6)	Remuneration received from invested companies other than subsidiaries and the parent company (Note 7)
		The Company	All companies in the financial report (Note 5)	The Company	All companies in the financial report (Note 5)	The Company	All companies in the financial report (Note 5)	The Company		All companies in the financial report (Note 5)			
President	Jui-Hsin Chang												
Vice President	Chien - Liang Liu												
Assistant Vice President	Chien - Hsing Lee	7,344	7,344	383	383	1,820	1,820	113	0	113	0	9,66015.81 25	9,66015.81 25
Assistant Vice President	Li-Wen Chen												
Assistant Vice President	Tsun-Chih Chen												N/A

Note 1: The term "top 5 executives in terms of remuneration" refers to the managers of the Company. The standards for identifying managers shall be handled According to the scope of application of "manager" stipulated by letter Cai-Zheng-III No. 0920001301 issued by the Financial Supervision Commission, Ministry of Finance on March 27, 2003. The calculation and recognition principle for "the top 5 executives in terms of remuneration" shall be based on the total amount of salaries, severance pay and pension, bonuses, and special allowances received by the Company's managers from all companies in the consolidated financial report as well as the amount of employee remuneration (that is, the total of A+B+C+D). The top 5 executives in terms of remuneration shall then be identified after sorting. If the director concurrently serves as the preceding supervisor, this form and the preceding form (1-1) must be filled out.

Note 2: Fill in the salaries, additional duty payments, and severances for the top 5 executives in terms of remuneration in the most recent year.

Note 3: Fill in the various physical provisions such as bonuses, incentive payments, traveling expenses, special expenses, allowances, dormitories, vehicles, and other compensation amounts for the top 5 executives in terms of remuneration in the most recent year. Where houses, cars, other means of transportation, or expenditures exclusively for individuals are offered, the nature and costs of the provided assets, the actual rent or fair market rent, fuel expenses, and other benefits shall be disclosed. If a driver is designated, please explain the compensation paid to the driver by the company in the notes, but do not include it in the remuneration. In addition, the salaries recognized by IFRS 2 "Share-based Payment;" including the employee stock option certificates, new shares with restricted employee rights, and shares from capital increase in cash which shall also be calculated as compensation.

Note 4: Fill in the amount of employee remuneration for the top 5 executives in terms of remuneration passed by the board of directors in the most recent year (including stocks and cash). If the amount cannot be estimated, the proposed distribution amount for this year shall be calculated based on the actual distribution amount last year, and Table 1-3 should also be filled out.

Note 5: The total remunerations paid to the Company's top 5 executives in terms of remuneration paid by all companies (including the Company) in the consolidated financial report shall be disclosed.

Note 6: Profit after tax refers to the profit after tax listed in the parent company only or individual financial report in the

most recent year.

Note 7: a. Transfer investment enterprise-related remuneration amounts received by the company's top 5 executives in terms of remuneration from sources other than a subsidiary Company must be clearly listed in this column (if none, please fill in "none").

b. Remuneration refers to the salaries, compensations (including employee, director, and supervisor salaries), operation implementation costs related payments received by this Company's top 5 executives in terms of remuneration who have served as a director, supervisor, or manager of reinvestment companies other than a subsidiary or a parent company.

* The content of remuneration as disclosed in this table is different from the concept under the Income Tax Act, which is for disclosure only and not for taxation purposes.

(4) Names of managers who distribute employee remuneration and the status of distribution

April 21, 2025

	Title (Note 1)	Name (Note 1)	Stock amount	Cash amount	Total	Percentage of total amount to profit after tax (%)
Managers	President	Jui-Hsin Chang	0	175	175	0.2865
	Vice President	Chien- Liang Liu				
	Assistant Vice President of the Finance Department	Tsun-Chih Chen				
	Assistant Vice President of the Chairman's Office	Li-Wen Chen				
	Assistant Vice President of the Technology and Production Department	Chien- Hsing Lee				
	Assistant Vice President of Business Department	Yu-Yi Chiu				
	Manager of the Management Department	Kuo-Tang Chen				
	Assistant Manager of Audit Office	Chi-Lan Chou				

Note 1: Individual names and job titles shall be disclosed, but profit distribution may be disclosed in a summary manner.

Note 2: Fill in the amount of employee remuneration passed by the board of directors for managers in the most recent year (including stocks and cash). If the amount cannot be estimated, the proposed distribution amount for this year shall be calculated based on the actual distribution amount from last year. Net income means the most recent annual net profit after tax. If the International Financial Reporting Standards are adopted, profit after tax refers to the profit after tax listed in the parent company only or individual financial report in the most recent year.

Note 3: The scope of application of managers shall be handled as follows according to letter Cai-Zheng-San-Zi No. 0920001301 issued by the Financial Supervision Commission, Ministry of Finance, on March 27, 2003:

- (1) President and equivalent
- (2) Vice President and equivalent
- (3) Assistant managers and equivalent
- (4) Financial department director
- (5) Accounting department director

(6) Other persons who have the right to manage affairs and sign off for the Company

Note 4: If directors, presidents, and vice presidents receive employee remuneration (including stock and cash), this form should be filled out in addition to form 1-2 attached.

Note 5: Chi-Lan Chou, Assistant Manager of Audit Office, retired on April 1, 2025.

(5) Name, position, and total distribution of employees receiving the top ten remuneration

April 21, 2025

Unit: NT\$ thousand

	Title	Name	Stock amount	Cash amount	Total	Percentage of total amount to profit after tax (%)
1	President	Jui-Hsin Chang	0	225	225	0.3683
2	Vice President	Chien-Liang Liu				
3	Assistant Vice President of the Chairman's Office	Li-Wen Chen				
4	Assistant Vice President of the Finance Department	Tsun-Chih Chen				
5	Financial Department Manager	Chih-Chieh Kuo				
6	Assistant Vice President of Business Department	Yu-Yi Chiu				
7	Assistant Vice President of the Technology and Production Department	Chien-Hsing Lee				
8	Procurement Department Manager	Hong-Yi Chang				
9	Information Office Manager	Wen-Wei Tsai				
10	Assistant Manager of Audit Office	Chi-Lan Chou				

(IV) Compare and explain the total remuneration paid to the directors, supervisors, president, and vice presidents of the Company and all companies in the consolidated financial statements in the past two years, as a percentage of the parent company only or individual financial report after tax net profit. Also explain the policies, standards, and combinations of remuneration payments, the procedures for determining remuneration, and their correlation with business performance and future risks:

1. An analysis of the total remuneration paid to the Company's directors, supervisors, president and vice president as a percentage of net income after tax for the last two years for the Company and all companies in the consolidated financial statements:

Year	2024				2023			
	Total remuneration		Ratio of after-tax profit		Total remuneration		Ratio of after-tax profit	
Title	The Company	All companies included in the consolidated financial statements	The Company	All companies included in the consolidated financial statements	The Company	All companies included in the consolidated financial statements	The Company	All companies included in the consolidated financial statements
	Director	17,286	17,286	28.30	28.30	20,309	20,309	17.85
Supervisor								17.85

President and Vice President								
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(1) The Company's directors, supervisors, president, and vice president are remunerated only by the Company. The total payment in 2023 and 2024 accounted for 17.85% and 28.30% of the after-tax profits, respectively.

(2) The remuneration of directors and supervisors includes traveling expenses and their salaries. Traveling expenses shall be made according to the industry standard and based on the attendance of directors and supervisors at board meetings. Remuneration for directors and supervisors shall be handled according to Article 25 of the Company's Articles of Incorporation. If the Company produces a profit for the year, it must set aside 2% for employees' remuneration and no more than 3% for directors' and supervisors' remuneration. The allocated amount shall be recognized as the current year's expenses. However, where the Company still has an accumulated loss, the amount shall be reserved for making up the accumulated loss first.

(3) Remuneration for the president and vice presidents shall include salary, bonuses, and employee compensation according to their job position and the responsibilities undertaken and refer to the standards for similar positions set by peers.

2. The policy, criteria and composition of remuneration payments, the procedures for setting remuneration, and the relationship to operating performance and future risks:

(1) Policies, standards and mix of remuneration:

a. Remuneration to the directors:

(a) According to the Company's Articles of Incorporation:

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 26: If the Company makes a profit for the year, it shall allocate 2% for the employees' remuneration and no more than 3% for the directors' and supervisors' remuneration. The allotted amount shall be recognized as the current year's expenses. However, where the Company still has an accumulated loss, 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 remainder, together with the accumulated undistributed earnings of previous years, shall be distributed to shareholders in the form of a proposal for distribution of earnings prepared by the Board of Directors and submitted to the shareholders' meeting for a resolution. 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.

- (b) Independent directors do not participate in the distribution of directors' remuneration.
- (c) The Company periodically evaluates the remuneration of directors in accordance with the "Performance Evaluation Method of the Board of Directors", and the related performance evaluation and reasonableness of remuneration are reviewed by the Remuneration Committee and the Board of Directors.
- b. The remuneration of the Company's managers is determined in accordance with the Salary Regulations, which stipulates various allowances and bonuses to recognize and reward employees for their efforts in their work. Relevant bonuses are also granted depending on the company's annual operating performance, financial status, operational status and individual performance. In addition, if the Company makes a profit in the year, 2% or more of the profit shall be set aside as employee remuneration in accordance with Article 26 of the Company's Articles of Incorporation. The results of the performance evaluation conducted by the Company in accordance with the "Performance Management Regulations" shall be used as a reference for the payment of managerial bonuses. The evaluation of managerial officers' overall performance includes: I. Financial indicators: according to the Company's management income statement, each business group division contributes to the Company's profit, and the manager's target achievement rate is taken into consideration. II. Non-financial indicators: the Company's core values are implemented and the ability to manage operations, and participation in sustainable management are the two major components to calculate their remuneration for operating performance, and the remuneration system is reviewed from time to time according to the actual operating conditions and relevant laws and regulations.
- c. The Company's remuneration package, as defined by the Remuneration Committee, includes cash compensation, stock options, stock dividends, retirement benefits or severance pay, allowances and other tangible incentives. The scope of these bonuses and allowances and other material incentives are consistent with Regulations Governing Information to be Published in Annual Reports of Public Companies.

(2) Remuneration-setting procedures.

- a. In order to regularly evaluate the remuneration of directors and managers, the evaluation results are based on the "Performance Evaluation Regulations of the Board of Directors" and the "Performance Management Regulations" applicable to managerial officers and employees, respectively, and the remuneration of the Chairman and the president is determined by referring to the "Reference Table of Treatment Standards for Presiding Officers of Public Institutions under the Ministry of Transportation and Communications" and the linked company's operating performance indicators and submitted to the board of directors for approval. In order to fully

demonstrate the achievement of operating performance targets, the Chairman's performance measures are based on the results of annual operating indicators related to operational, governance and financial results, and the scope of evaluation includes: net income before tax, credit rating or Taiwan Ratings, customer satisfaction and corporate governance evaluation; the performance evaluation of the president includes: operational safety management, supervising the execution of financial plans, revenue management, promoting the autonomy of maintenance capability, strengthening internal control, and implementing quality assurance and management.

- b. The self-evaluation results of the Board of Directors, members of the Board of Directors, and members of the functional committees all significantly exceeded the performance standards in 2024. In 2024, despite the impact of the decline in stainless steel prices, the Company diligently implemented preventive measures, proactively planned ahead, and implemented cost-saving measures. In addition, the Company's annual profit was higher than expected, and the results of the 2024 managerial performance evaluation showed that all managers met or exceeded their targets.
- c. The performance evaluation and reasonableness of the remuneration of the directors and managers of the Company are regularly evaluated and reviewed by the Remuneration Committee and the Board of Directors on an annual basis, with reference to the performance achievement rate of individuals and their contribution to the Company, as well as the overall operational performance of the Company and the future risks and development trends of the industry. In addition, the Company reviews the remuneration system from time to time in accordance with the actual operating conditions and relevant laws and regulations, and provides reasonable remuneration after considering the current trend of corporate governance in order to strike a balance between sustainable operations and risk control. The actual amounts of directors' and managers' remuneration for 2024 were determined by the Remuneration Committee and submitted to the Board of Directors' meeting for resolution.

(3) Relationship to operating performance and future risks:

- a. The Company's remuneration policy and related payment standards and system are reviewed based on the overall operation of the Company, and the payment standards are approved based on the performance achievement rate and contribution, so as to enhance the effectiveness of the Board of Directors and the overall organizational team of the managerial department. We also make reference to industry salary standards to ensure that our management's salaries are competitive in the industry in order to retain outstanding management personnel.
- b. The performance objectives of the Company's managerial officers are integrated with "risk control" to ensure that possible risks within the scope of duties and responsibilities are managed and prevented, and the results of actual performance evaluation are linked to the relevant human resources and related remuneration policies. The performance of the relevant decisions is reflected in the profitability of the Company, and the remuneration of managerial officers is related to the performance of risk management.

III. Corporate governance status

(I) Board of Directors Operational Status:

A total of 6 board meetings (A) were held in 2024, and the attendance status of directors and supervisors is as follows:

Title	Name (Note 1)	Actual attendance No. (B)	No. of attendance by proxy	Actual presence (attendance) rate [B/A] (Note 2)	Remarks
Chairman	Hong Yu Industrial Co., Ltd. Representative: Hsien-Tong Liu	6	0	100.00%	Re-elected on June 19, 2024
Director	Yusheng Investment & Development Co., Ltd. Representative: Ching-Tsung Huang	6	0	100.00%	Re-elected on June 19, 2024
Director	Hsien-Rong Liu	3	0	100.00%	Resign on June 19, 2024
Director	Hung-Sheng Liu	6	0	100.00%	Re-elected on June 19, 2024
Director	Han-Chun Hsiao	3	0	100.00%	Resign on June 19, 2024
Director	Chien-Hua Huang	6	0	100.00%	Re-elected on June 19, 2024
Director	Hong Yu Industrial Co., Ltd. Representative: Yi-Chun Liu	3	0	100.00%	Elected on June 19, 2024
Director	Chien-Liang Liu	3	0	100.00%	Elected on June 19, 2024
Independent director	Chih-Hsueh Lin	3	0	100.00%	Resign on June 19, 2024
Independent director	Mei-Yao Chang	6	0	100.00%	Re-elected on June 19, 2024
Independent director	Yu-Liang Pan	6	0	100.00%	Re-elected on June 19, 2024
Independent director	Yi-Ting Tsai	3	0	100.00%	Elected on June 19, 2024

Other matters to be recorded:

1. If the board of directors operations involve any of the following; the date, period, proposal content, all independent directors' opinions, and how the Company handled the independent directors' opinions must be noted:
 - (1) Issues listed in Article 14-3 of the Securities and Exchange Act: None.
 - (2) In addition to the preceding matters, other board of directors resolution items with dissenting or qualified opinions from independent directors that have been recorded or declared in writing: None.

Excerpts from the board of directors resolutions

Term and meeting session Date (Year / Month / Day)	Important resolutions	Matters listed in §14-3 or §14-5 of the Securities and Exchange Act	Independent Directors' opinions and handling of such opinions by the Company	Resolution Result
9th term 14th meeting 2024/01/26	<p>1. Minutes of previous meetings and implementation status report.</p> <p>2. Internal audit operations and 2023 internal audit work report.</p> <p>3. Reporting on important financial businesses.</p> <p>4. Report on ethical corporate management implementation in 2023.</p> <p>5. Report on risk management operation status in 2023.</p> <p>6. Report on stakeholder communication in 2023.</p> <p>7. Report on the implementation of cybersecurity risk management in 2023.</p> <p>8. Company greenhouse gas inventory and verification schedule plan formulation and implementation</p>	V	N/A	<p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p>

	<p>status.</p> <p>9. Other significant matters reported - Report on communication between CPAs and the Governance Unit.</p> <p>10. 2023 annual performance evaluation results and remunerations discussion proposal for the Company's managers for ratification.</p> <p>11. Discussion on 2023 year-end bonus payment evaluation.</p>	V	N/A	independent directors present, there was no objection. After the chairman consulted the directors and independent directors present, there was no objection.
9th term 15th meeting 2024/03/12	<p>1. Minutes of previous meetings and implementation status report.</p> <p>2. Internal audit report</p> <p>3. Important financial business reports and 2023 business reports.</p> <p>4. 2023 report on the implementation of cybersecurity risk management.</p> <p>5. Company greenhouse gas inventory and verification schedule plan formulation and implementation status.</p>		N/A	After the chairman consulted the directors and independent directors present, there was no objection.
			N/A	After the chairman consulted the directors and independent directors present, there was no objection.
			N/A	After the chairman consulted the directors and independent directors present, there was no objection.
		V	N/A	After the chairman consulted the directors and independent directors present, there was no objection.
		V	N/A	After the chairman consulted the directors and independent directors present, there was no objection.

	6. Report on the performance evaluation results of the Board of Directors and functional committees for 2023.		N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	7. Other significant matters reported - Report on communication between CPAs and the Governance Unit.	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	8. Discussion on the Company's 2023 employee and director remuneration distributions.		N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	9. Discussion on the Company's 2023 annual financial statements.	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	10. Discussion on the Company's 2023 earnings distribution.	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	11. Discussion on the Company's 2023 "Internal Control System Effectiveness Assessment" and "Internal Control System Declaration".		N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	12. Discussion on the Company's 2024 budget.		N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	13. Proposal for the comprehensive reelection of the 10th board of directors.		N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	14. Discussion on the matters related to convening the 2024 general shareholders' meeting.		N/A	After the chairman consulted the directors and independent

	15. Acceptance of shareholder proposal for the 2024 shareholders' meeting and director nominations.		N/A	directors present, there was no objection. After the chairman consulted the directors and independent directors present, there was no objection.
9th term 16th meeting 2024/05/07	1. Minutes of previous meetings and implementation status report.		N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	2. Internal audit report	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	3. Reporting on important financial businesses.		N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	4. Company greenhouse gas inventory and verification schedule plan formulation and implementation status.	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	5. 2024 Directors and Managers' Liability Insurance Report.	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	6. Shareholder Proposals and Nomination Results Report for the 2024 Ordinary Shareholders' Meeting.	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	7. The Company's Q1 2024 consolidated financial statement review discussion proposal.		N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	8. Discussion about nominate and resolve	V	N/A	After the chairman

	<p>the list of candidates for directors (including independent directors).</p> <p>9. Discussion about to Lift the Non-competition Restriction for New Directors and their Representatives</p> <p>10. Discussion about amendments to the "Rules Governing Operations in relation to Finance and Business between Affiliated Parties."</p>	V V	N/A N/A	<p>consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p>
10th term 1st meeting 2024/06/19	<p>1. Proposal for the election of the Company's 10th chairman.</p> <p>2. Discussion about appointment of the Company's 2th "Audit Committee" members.</p> <p>3. Proposal to appoint members of the 6th "Salary and Compensation Committee."</p>	V V V	N/A N/A N/A	<p>Chairman Hsien-Tung Liu was recommended for the same position.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p>
10th term 2nd meeting 2024/08/09	<p>1. Minutes of previous meetings and implementation status report.</p> <p>2. Internal audit report</p> <p>3. Reporting on important financial businesses.</p> <p>4. Company greenhouse gas inventory</p>	 V V	N/A N/A N/A N/A	<p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p>

	<p>and verification schedule plan formulation and implementation status.</p> <p>5. The Company's Q2 2024 consolidated financial statement review discussion proposal.</p> <p>6. Discussion on the Company's "Sustainable Development Committee Organization Regulations."</p> <p>7. Review and discussion on the Company's 2024 CPA fees.</p> <p>8. Discussion on the approval of loans from the Company's correspondent banks for 2024.</p>	V	N/A	<p>consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p>
10th term 3rd meeting 2024/11/08	<p>1. Minutes of previous meetings and implementation status report.</p> <p>2. Internal audit report</p> <p>3. Reporting on important financial businesses.</p> <p>4. Company greenhouse gas inventory and verification schedule plan formulation and implementation status.</p>	V	N/A	<p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p>

	<p>5. Other important issues Report on the professional qualification and independence of independent directors in compliance with relevant laws and regulations during their term of office.</p> <p>6. Other important issues According to the "Sustainable Disclosure Roadmap" published by the Financial Supervisory Commission on August 17, 2023, the Company, with a paid-in capital of NT\$920 million, should apply the IFRS Sustainability Disclosure Standards (i.e. the 2027 Sustainability Information prepared in accordance with IFRS Sustainability Disclosure Standards, and disclose it in the chapter of Sustainability Information of the Annual Report in 2026. The Company will continue to control and introduce the implementation of the plan in accordance with the reference guidelines and related regulations issued by the competent authority.</p> <p>7. The Company's Q3 2024 consolidated financial statement review discussion proposal.</p>	V	N/A	there was no objection. After the chairman consulted the directors and independent directors present, there was no objection. After the chairman consulted the directors and independent directors present, there was no objection.
	<p>8. Discussion on the remuneration of independent directors of the 6th-term Compensation Committee and the 2nd-term Audit Committee.</p>	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection. After the chairman consulted the directors and independent directors present, there was no objection.
	<p>9. Discussion on revision of the Company's "Internal Control System."</p>	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection. After the chairman consulted the directors and independent directors present, there was no objection.
	<p>10. Discussion on the Company's 2025 internal audit plan.</p>	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection. After the chairman consulted the directors and independent directors present, there was no objection.
	<p>11. Discussion on the approval of loans from the Company's correspondent banks for 2025.</p>		N/A	After the chairman consulted the directors and independent

				directors present, there was no objection.
10th term 4th meeting 2025/01/16	1. Minutes of previous meetings and implementation status report.		N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	2. Internal audit operations and 2024 internal audit work report.		N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	3. Reporting on important financial businesses.		N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	4. Report on ethical corporate management implementation in 2024.	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	5. Report on risk management operation status in 2024.	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	6. Report on stakeholder communication in 2024.	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	7. Report on the implementation of cybersecurity risk management in 2024.	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	8. Company greenhouse gas inventory and verification schedule plan formulation and implementation status.	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	9. Report on the status of	V	N/A	After the chairman

	<p>implementation of the IFRS Sustainability Disclosure Plan.</p> <p>10. Other significant matters reported - Report on communication between CPAs and the Governance Unit.</p> <p>11. Discussion on 2024 year-end bonus payment evaluation.</p> <p>12. Discussion on the review of the CPA for 2024.</p> <p>13. Discussion on the amendment to the “Regulations Governing Procedures for Board of Directors Meetings”.</p> <p>14. Discussion on the amendment to the “Articles of Incorporation”.</p>		N/A	<p>consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p>
10th term 5th meeting 2025/03/13	<p>1. Minutes of previous meetings and implementation status report.</p> <p>2. Internal audit report</p> <p>3. Important financial business reports and 2024 business reports.</p>	V	N/A	<p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p>

	4. Report on the performance evaluation results of the Board of Directors and functional committees for 2024.	V	N/A	there was no objection. After the chairman consulted the directors and independent directors present, there was no objection.
	5. Company greenhouse gas inventory and verification schedule plan formulation and implementation status.	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	6. Other significant matters reported - Report on communication between CPAs and the Governance Unit.		N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	7. Discussion on the Company's 2024 employee and director remuneration distributions.	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	8. The Company's 2024 annual financial statements discussion proposal.	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	9. Discussion on the Company's 2024 earnings distribution.	V	N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	10. Discussion on the Company's 2024 "Internal Control System Effectiveness Assessment" and "Internal Control System Declaration".		N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	11. The Company's 2025 budget discussion proposal.		N/A	After the chairman consulted the directors and independent directors present, there was no objection.
	12. Discussion on the establishment of the "Procedures for Ethical		N/A	After the chairman consulted the

	<p>Management and Guidelines for Conduct" of the Company.</p> <p>13. Discussion on the approval of loans from the Company's correspondent banks for 2025.</p> <p>14. Discussion on the amendment to the "Articles of Incorporation."</p> <p>15. Discussion on the matters related to convening the 2025 general shareholders' meeting.</p> <p>16. Discussion on matters related to acceptance of shareholders' proposals for the 2025 shareholders' meeting.</p>	V	N/A	<p>directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p> <p>After the chairman consulted the directors and independent directors present, there was no objection.</p>
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Note: Securities and Exchange Act 14-3 (issues that should be submitted to the board of directors for resolution)

Independent directors were appointed pursuant to Paragraph 1 of the preceding Article. Unless the competent authority approves, the following matters shall be submitted to the board of directors for resolution. If independent directors have objections or reservations, they shall state them in the board meeting minutes:

- (1) Formulation or amendment of the internal control system pursuant to Article 14-1.
- (2) Formulation or amendment of financial or operational actions of material significance, such as procedures for acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements/guarantees for others.
- (3) Matters involving the interests of directors or supervisors themselves.
- (4) Material asset or derivatives transactions.
- (5) Material capital loans, endorsements or guarantees.
- (6) Offering, issuance, or private placement of equity-type securities.
- (7) Hiring or dismissal of the certifying CPA or the compensation.
- (8) Appointment or discharge of the financial, accounting, or internal auditing supervisor.
- (9) Other important matters required by the competent authority.

2. During the recusal of directors due to conflict of interest; the directors' names, the content of the proposals, the reasons for the recusal, and the circumstances of their participation in

voting shall be stated: None.

3. Companies listed at TWSE or TPEx should disclose the Board's frequency of self-evaluation (or peer evaluation) and the intervals between the evaluations, the scope and method of evaluation, and related information. Fill in Table II (2) Board Evaluation Implementation Status.
4. The objectives of strengthening the board of directors functions in the current and most recent year (i.e., establishing an audit committee, improving information transparency, etc.) and implementation status evaluation:

The Company has formulated the "Rules of Procedures for the Board of Directors" for compliance according to the "Regulations Governing Procedures for Board of Directors Meetings of Public Companies." We have also entered the directors' board attendance status and disclosed the board of directors' resolutions on the Company's website.

The Company has maintained the election of 2 independent directors since the extraordinary shareholders meeting on December 20, 2003. On August 8, 2011, the board of directors elected 2 independent directors and 1 external member. The 3 members constituted the Remuneration Committee to evaluate the salary payment policy regularly. During the July 21, 2021, ordinary shareholders meeting, 9 directors (including 3 independent directors) were elected, and the 3 independent directors led the Audit Committee. The supervisor system was also abolished to enhance the functions of the board of directors and strengthen corporate governance.

Note 1: If the directors and supervisors are juridical persons, the names of the juridical person shareholders and their representatives must be disclosed.

Note 2: (1) If a director or supervisor resigns before the end of the year, the resignation date should be indicated in the remarks column, and the actual presence (attendance) rate (%) is calculated based on the number of board meetings and the actual number of presence (attendance) during the term of office.

(2) Before the end of the year, the new and old directors or supervisors should be filled in if there are changes. The service dates for the old, new, reelected, or changed directors or supervisors should be noted in the remarks field. The actual presence (attendance) rate (%) is calculated based on the number of board meetings and actual presence (attendance) during the working period.

Board Evaluation Implementation Status

Evaluation Cycle (Note 1)	Duration of Evaluation (Note 2)	Scope of evaluation (Note 3)	Method of evaluation (Note 4)	Evaluation content (Note 5)
Implement once per year	From 2024/01/01 to 2024/12/31	Board of Directors Functional committees	Board performance self-assessment Board member performance self-assessment Functional committee operational performance self-assessment	The evaluation includes 5 aspects and a total of 45 indicators: 1. Degree of participation in the Company's operations. 2. Improvement of the board of directors' decision-making quality. 3. Composition and structure of the board of directors. 4. Selection and continuing education of directors. 5. Internal control. The assessment for the board members' performance evaluation (self or peers) includes 6 aspects and a total of 23 indicators: 1. Understand the Company's goals and tasks. 2. Recognition of the directors' responsibilities. 3. Degree of participation in the Company's operations. 4. Internal relationship management and communication 5. Professional and continuing education of directors. 6. Internal control. The performance evaluation includes 5 aspects and a total of 26 indicators: 1. Degree of participation in the Company's operations. 2. Recognition of the functional committee's responsibilities. 3. Improve the decision-making quality of functional committees. 4. Functional committee composition and member selection. 5. Internal control.

Note 1: Fill in the execution cycle of the board of directors' evaluation, such as once a year.

Note 2: Fill in the period covered by the board of directors' evaluation, for example, the board of directors' performance evaluation from January 1, 2019 to December 31, 2019.

Note 3. The scope of assessment includes the performance evaluation of the board of directors, individual director members, and functional committees.

Note 4: The evaluation methods include internal self-evaluation, peer evaluation, appointing external professional institutions or experts or using other appropriate methods to conduct performance evaluations.

Note 5: The evaluation content shall at least include the following items according to the scope of the evaluation:

- (1) Board of directors performance evaluation: At least include the degree of company operation participation, board of directors policy quality, the board of directors composition and structure, the election of directors, internal control, etc.
- (2) Individual director performance evaluation: At least include the ability to master company goals and tasks, awareness of directors' responsibilities, company operations participation, internal relationship management, communication, professionalism and continuous education for directors, internal control, etc.
- (3) Functional committee performance evaluation: Degree of company operation participation, awareness of functional committee responsibilities, functional committee policy quality improvement, functional committee composition and member election, internal control, etc.

Note 6: The results of the 2024 evaluation are as follows:

(1) Board of Directors performance self-evaluation:

The Board of Directors' performance indicators include 45 indicators in five major aspects, and the results of the evaluation are "strongly agree (5): 40 items, agree (4): 4 items, and average (3): 1 item", which indicate that the Board of Directors has fulfilled its responsibility to direct and supervise the Company's strategy, major business and risk management, and has established a proper internal control system; the overall operation is sound and meets the requirements of corporate governance.

(2) Board member performance self-evaluation:

The performance evaluation indicators for board members consist of 23 indicators in six major aspects. The evaluation results are "strongly agree (5): 20 items and agree (4): 2 items, and not application: 2 items (the nomination committee not yet formed)," which indicate that there is a positive evaluation of the efficiency and effectiveness of the directors' operation on each indicator, and the directors will continue to study and strengthen the professional knowledge of corporate governance.

(3) Functional committee operational performance self-evaluation:

The performance evaluation indicators of the functional committees (Audit Committee and Remuneration Committee) include 26 indicators in five major scopes, and the results of the evaluation are "strongly agree (5) 22 items, agree (4) 2 items, average (3) 2 items, and not applicable 2 items (the nomination committee has not yet been established)", which indicates that the functional committees are operating well and meeting the requirements of corporate governance, and effectively enhancing the functions of the board of directors.

(II) Audit Committee operation status: The Company established an Audit Committee on July 21, 2021. The relevant independent directors' attendance at the board meetings is detailed in the "Audit Committee Resolution Excerpts" table above.

In 2024, the Audit Committee met 4 times (A), and the attendance of independent directors is as follows:

Title	Name	Actual attendance No. (B)	No. of attendance by proxy	Actual presence (attendance) rate [B/A] (Note)	Remarks
Independent director	Mei-Yao Chang	4	0	100.00%	Elected on June 19, 2024
Independent director	Yu-Liang Pan	4	0	100.00%	Elected on June 19, 2024
Independent director	Yi-Ting Tsai	2	0	100.00%	Elected on June 19, 2024
Independent director	Chih-Hsueh Lin	2	0	100.00%	Resigned on June 19, 2024

Other matters to be recorded:

1. If any of the following applies to the operation of the Auditing Committee, specify the Auditing Committee's meeting date, period, and proposal contents; independent directors' dissenting opinions, reservations, or major proposals; and the resolution of the Auditing

Committee and the response of the Company to the opinions of the Auditing Committee.

(1) Issues listed in Article 14-5 of the Securities and Exchange Act: None.

(2) In addition to the preceding matter, other matters that have not been approved by the Audit Committee but approved by over two-thirds of all directors: None.

Audit Committee Resolution Excerpts

Term and meeting session Date (Year / Month / Day)	Important resolutions	Matters listed in §14-3 or §14-5 of the Securities and Exchange Act	Independent Directors' opinions and handling of such opinions by the Company	Board of Directors or Audit Committee Resolution Results
1st term 11th meeting 2024/03/12	<p>1. Minutes of previous meetings and implementation status report.</p> <p>2. Internal audit report</p> <p>3. The Company's 2024 annual financial statements discussion proposal.</p> <p>4. Discussion on the Company's 2024 earnings distribution.</p> <p>5. Discussion on the Company's 2024 "Internal Control System Effectiveness Assessment" and "Internal Control System Declaration".</p> <p>6. Discussion on the Company's 2025 budget.</p> <p>7. Discussion on the approval of loans from the Company's correspondent banks for 2025.</p> <p>8. Discussion on the establishment of the "Procedures for Ethical</p>	V	N/A	After the chairman consulted the committee members present, the proposal was passed without objections.

	<p>Management and Guidelines for Conduct" of the Company.</p> <p>9. Discussion on the amendment to the "Articles of Incorporation".</p>		N/A	<p>proposal was passed without objection and submitted to the board of directors for review.</p> <p>After the chairman consulted the committee members present, the proposal was passed without objection and submitted to the board of directors for review.</p>
2nd term 1st meeting 2024/08/09	<p>1. Minutes of previous meetings and implementation status report.</p> <p>2. Internal audit report</p> <p>3. The Company's Q2 2024 consolidated financial statement review discussion proposal.</p> <p>4. Discussion on the Company's "Sustainable Development Committee Organization Regulations."</p> <p>5. Review and discussion on the Company's 2024 CPA fees.</p> <p>6. Discussion on the approval of loans from the Company's correspondent banks for 2024.</p>	V	N/A	<p>After the chairman consulted the committee members present, the proposal was passed without objections.</p> <p>After the chairman consulted the committee members present, the proposal was passed without objections.</p> <p>After the chairman consulted the committee members present, the proposal was passed without objection and submitted to the board of directors for review.</p> <p>After the chairman consulted the committee members present, the proposal was passed without objection and submitted to the board of directors for review.</p>
2nd term 2nd Meeting 2024/11/08	<p>1. Minutes of previous meetings and implementation status report.</p> <p>2. Internal audit report</p> <p>3. The Company's Q3 2024 consolidated financial statement review discussion proposal.</p> <p>4. Discussion on revision of the Company's "Internal</p>	V	N/A	<p>After the chairman consulted the committee members present, the proposal was passed without objections.</p> <p>After the chairman consulted the committee members present, there was no objection.</p> <p>After the chairman consulted the committee members present, the proposal was passed without objection and submitted to the board of directors for review.</p> <p>After the chairman consulted the committee</p>

	<p>Control System.”</p> <p>5. Discussion on the Company's 2025 internal audit plan.</p> <p>6. Discussion on the approval of loans from the Company's correspondent banks for 2025.</p>	V		members present, the proposal was passed without objection and submitted to the board of directors for review.
2nd term 3rd Meeting 2025/01/16	<p>1. Minutes of previous meetings and implementation status report.</p> <p>2. Internal audit operations and 2024 internal audit work report.</p> <p>3. Discussion on the review of the CPA for 2024.</p> <p>4. Discussion on the amendment to the “Regulations Governing Procedures for Board of Directors Meetings”.</p> <p>5. Discussion on the amendment to the “Articles of Incorporation”.</p>	V	N/A	After the chairman consulted the committee members present, the proposal was passed without objections.
		V	N/A	After the chairman consulted the committee members present, there was no objection.
		V	N/A	After the chairman consulted the committee members present, the proposal was passed without objection and submitted to the board of directors for review.
		V	N/A	After the chairman consulted the committee members present, the proposal was passed without objection and submitted to the board of directors for review.
		V	N/A	After the chairman consulted the committee members present, the proposal was passed without objection and submitted to the board of directors for review.
2nd term 4th Meeting 2025/03/13	<p>1. Minutes of previous meetings and implementation status report.</p> <p>2. Internal audit report</p> <p>3. The Company's 2024 annual financial statements discussion proposal.</p> <p>4. Discussion on the Company's 2024 earnings</p>	V	N/A	After the chairman consulted the committee members present, the proposal was passed without objections.
		V	N/A	After the chairman consulted the committee members present, there was no objection.
		V	N/A	After the chairman consulted the committee members present, the proposal was passed without objection and submitted to the board of directors for review.
		V	N/A	After the chairman consulted the committee members present, the proposal was passed without objection and submitted to the board of directors for review.

	<p>distribution.</p> <p>5. Discussion on the Company's 2024 "Internal Control System Effectiveness Assessment" and "Internal Control System Declaration".</p> <p>6. Discussion on the Company's 2025 budget.</p> <p>7. Discussion on the approval of loans from the Company's correspondent banks for 2025.</p> <p>8. Discussion on the establishment of the "Procedures for Ethical Management and Guidelines for Conduct" of the Company.</p> <p>9. Discussion on the amendment to the "Articles of Incorporation".</p>		N/A	<p>members present, the proposal was passed without objection and submitted to the board of directors for review.</p> <p>After the chairman consulted the committee members present, the proposal was passed without objection and submitted to the board of directors for review.</p> <p>After the chairman consulted the committee members present, the proposal was passed without objection and submitted to the board of directors for review.</p> <p>After the chairman consulted the committee members present, the proposal was passed without objection and submitted to the board of directors for review.</p> <p>After the chairman consulted the committee members present, the proposal was passed without objection and submitted to the board of directors for review.</p> <p>After the chairman consulted the committee members present, the proposal was passed without objection and submitted to the board of directors for review.</p>
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Note: Securities and Exchange Act §14-5 (Company Matters Requiring Consent of the Audit Committee)

For a company that has issued stock according to this Act and established an audit committee, the provisions of Article 14-3 shall not apply to the following matters, which shall be subject to the consent of one-half or more of all audit committee members and be submitted to the board of directors for a resolution:

- (1) Formulation or amendment of the internal control system pursuant to Article 14-1.
- (2) Assessment of the effectiveness of the internal control system.
- (3) Formulation or amendment of financial or operational actions of material significance, such as procedures for acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements/guarantees for others.
- (4) Matters involving the interests of directors or supervisors themselves.
- (5) Material asset or derivatives transactions.
- (6) Material capital loans, endorsements or guarantees.
- (7) Offering, issuance, or private placement of equity-type securities.
- (8) Hiring or dismissal of the certifying CPA or the compensation.

(9) Appointment or discharge of the financial, accounting, or internal auditing supervisor.

(10) Annual financial report signed or sealed by the Chairman, managerial officer, and accounting officer and the second-quarter financial report which must be audited and certified by a CPA.

(11) Any other material matter required by the company or the Competent Authority.

Except for subparagraph 10, any matter under a subparagraph of the preceding paragraph that has not been approved with the consent of one-half or more of all audit committee members may be undertaken upon the consent of two-thirds or more of all directors, without regard to the restrictions of the preceding paragraph. The resolution of the audit committee shall be recorded in the directors' meeting minutes.

A company that has established an audit committee is not subject to the provisions of Paragraph 1, Article 36 requiring that a supervisor recognize its financial reports.

"All audit committee members," as used in paragraph 1 and the preceding article's paragraph 6, and "all directors," as used in paragraph 2, shall mean the actual number of persons currently holding those positions.

(2) During the recusal of an independent director due to conflict of interest; the content of the proposals, the reasons for the recusal, and the circumstances of their participation in voting shall be stated: None.

3. The communication between independent directors, internal audit supervisors, and accountants is summarized as follows (including information on Company finances, communication on major matters related to business conditions, methods and results, etc.):

- (1) In general, the audit supervisor and accountant may directly contact the independent directors as needed, and the communication is good.
- (2) In addition to submitting the audit report to the independent directors every month, the audit supervisor also reports and communicates with the independent directors in the forum regarding the implementation and effectiveness of the relevant audit operation and submits it to the board of directors if there is no objection.

Contents of the 2024 seminar between independent directors and chief internal auditor:

Date	Communication Content	Recommendations and Results
2024/03/12	<ol style="list-style-type: none"> 1. The 2023 internal audit plan implementation status was declared and verified and confirmed on February 5, 2024. 2. The 2023 internal self-audit has been completed, and there was no major abnormality in internal control. The 2023 annual internal control system declaration is herewith attached, and a declaration will be issued before the end of March. 3. A total of 6 audit items were completed during the internal audit operation review for January 2024. 	No objection submitted to the board of directors.
2024/05/07	<ol style="list-style-type: none"> 1. The 2023 internal control system declaration was declared and confirmed on March 18, 2024. 2. A total of 6 audit items were completed during the internal audit operation review from January to March 2024. 	No objection submitted to the board of directors.
2024/08/09	<ol style="list-style-type: none"> 1. The declaration for the 2023 internal audit inspection deficiencies and abnormal matters to be improved was completed and verified on May 6, 2024. One copy of the internal control system defects and improvement status 	No objection submitted to the board of directors.

	<p>report was printed and submitted to the CPA and the Company for reference.</p> <p>2. A total of 36 audit items were completed during the internal audit operation review from January to June 2024.</p>	
2024/11/08	<p>1. The 2025 internal audit plan is herewith attached and needs to be approved by the Board of Directors for declaration on time.</p> <p>2. A total of 56 audit items were completed during the internal audit operation review from January to September 2024.</p>	No objection submitted to the board of directors.

(3) During a board of directors meeting, the CPA reported the financial statements audit methods and results as well as the internal control review results to the independent directors.

The communication of independent directors with CPAs and the internal audit supervisor in 2024 is as follows:

Date	Communication Items	Recommendations and Results
2024/01/26	<p>2023 communication with the governance unit in the audit planning phase</p> <p>1. Communication Content</p> <ul style="list-style-type: none"> (1) The roles and responsibilities of the governance unit (2) The roles and responsibilities of the CPA (3) Scope and time of annual audit (4) Audit team (5) Possible matters of high concern for auditors (6) List of related parties and transactions with related parties (7) Written statement from management (8) Independence of inspectors (9) Newly applied audit standards (10) Future sustainable development plans (11) Promotion of ESG evaluation and digitalization (12) Strengthening of stakeholder communication (13) Adoption of the ISSB Sustainability Disclosure Standards (14) Promotion of the roadmap for Taiwan's adoption of IFRS Sustainability Disclosure Standards 	No objection
2024/03/12	<p>2023 communication with the governance unit - audit conclusions</p> <p>1. Description of Key Audit Matters (KAM)</p> <ul style="list-style-type: none"> (1) Inventory evaluation (2) Revenue recognition <p>2. Audit opinion contents</p> <ul style="list-style-type: none"> (1) Consolidated financial report: with an unqualified opinion. (2) Parent company only financial report: with an unqualified opinion. <p>3. Materiality of this period</p>	No objection

	<p>(1) Overall materiality (OM): consolidated NT\$17,000 thousand, parent company only NT\$17,000 thousand.</p> <p>(2) Performance materiality (PM): consolidated NT\$12,750 thousand, parent company only NT\$12,750 thousand.</p> <p>(3) De minimis threshold (DMT): consolidated NT\$638 thousand, parent company only NT\$638 thousand.</p> <p>4. Uncorrected misrepresentation</p> <p>No uncorrected misrepresentation was found during the audit of the 2023 financial report.</p> <p>5. Significant internal control defect</p> <p>The CPAs found no significant internal control defect during the audit period.</p> <p>6. Other communication matters</p> <p>(1) Declaration by audit team members: there is no violation of independence.</p> <p>(2) The CPA did not discover any other material fraud incidents during the audit.</p> <p>(3) The CPA did not find any other material fraud during the audit.</p> <p>(4) The CPA did not find any related party transactions outside the normal business norms during the audit process.</p> <p>(5) The CPA has no major doubts about the Company's continual operations.</p> <p>(6) During the annual report/meeting handbook review, the CPA did not find any material inconsistency with the information in the financial report.</p> <p>(7) During the CPA audit process, the Company had a high degree of cooperation, and the CPA did not encounter any major difficulties.</p> <p>(8) The CPA did not disagree with the opinions of the management level during the audit process.</p> <p>7. Independent Auditors' Report</p> <p>8. Declaration of independence</p>	
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Note 1: If an independent director leaves before a year is completed, the exit date must be indicated in the memo column. On the other hand, the actual attendance rate (%) shall be calculated by the number of Audit Committee meetings held during service and the frequency of attendance in the meetings.

Note 2: Before the end of the year, the new and old independent directors should be filled in if there are changes. The service dates for the old, new, reelected, or changed independent directors should be noted in the remarks field. The actual attendance rate (%) is calculated based on the number of board meetings and actual attendance during the working period.

(III) Supervisors' participation in the operation of the Board of Directors: The Company has replaced the supervisors' duties with the Audit Committee, so it is not applicable.

A total of ___ board meetings (A) were held in, and the attendance status was as follows:

Title	Name	Actual attendance (B) No. of attendance by proxy	Actual presence (attendance) rate [B/A] (Note)	Remarks

Other matters to be recorded:

1. The composition and responsibilities of supervisors:
 - (1) Communication between supervisors and the Company's employees and shareholders (e.g., communication channels, methods, etc.): Not applicable.
 - (2) Communication between supervisors and internal auditors and CPAs (e.g., matters, methods and results of communication regarding the Company's financial and business conditions): Not applicable.
2. If a supervisor attends the Board of Directors' meeting to present his or her opinion, the date and period of the Board of Directors' meetings should be stated, including the content of the motion, the results of the Board of Directors' resolution and the Company's handling of a supervisor's opinion: Not applicable.

Note:

- * If a supervisor leaves before a year is completed, the exit date must be indicated in the memo column. The actual attendance rate (%) shall be calculated based on the actual number of attendance during the working period.
- * Before the end of the year, the new and old supervisors should be filled in if there are changes. The service dates for the old, new, reelected, or changed supervisors should be noted in the remarks field. The actual attendance rate (%) shall be calculated based on the actual number of attendance during the working period.

(III) The pursuit of corporate governance and the divergence from the Corporate Governance Best Practice Principles for TWSE/TPEx listed Companies and the reasons:

Assessment item	Operation Status (Note 1)			Variations from the Corporate Governance Best Practice Principles for TWSE/TPEx listed Companies and the reasons
	<u>Yes</u>	<u>No</u>	Description	
I. Has the Company instituted its corporate governance best practice principles according to the Corporate Governance Best Practice Principles for TWSE/TPEx listed Companies and disclosed them?	V		The Company's board of directors has resolved to amend the "Corporate Governance Best Practice Principles" on February 21, 2011, January 29, 2015, and May 9, 2019. (Please refer to the Company's website: http://www.yeoyih.com.tw/Investor Service/Articles of Incorporation Electronic File Section	No significant difference.
II. The Equity Structure and Shareholders' Equity of the Company (I) Has the Company established internal operating procedures to handle shareholder suggestions, doubts, disputes, litigation matters, and implement them according to the procedures? (II) Does the Company have a list of the major shareholders who actually control the Company as well as the final controller of the major shareholders? (III) Has the Company established and implemented risk control and firewall mechanisms between related companies?	V		(I) The Company has formulated the "Corporate Governance Best Practice Principles" (Please refer to the company's website: http://www.yeoyih.com.tw/Investor Service/Articles of Incorporation Electronic File Section and implement it according to the regulations. The auditors will also regularly supervise its implementation. (II) The Company has entrusted Grand Fortune Securities to handle its stock affairs and can grasp the list of major shareholders who actually control the company and the list of ultimate controllers of major shareholders. (III) The Company has formulated the "Transaction procedures for Companies, Specific Companies, and Related Parties," "Operational Specifications for Financial Business Transactions between Related Enterprises" and "Long-and Short-term Investment Management Measures" (Please refer	No significant difference. No significant difference. No significant difference.

Assessment item	Operation Status (Note 1)			Variations from the Corporate Governance Best Practice Principles for TWSE/TPEX listed Companies and the reasons
	<u>Yes</u>	<u>No</u>	Description	
(IV) Has the Company established internal regulations prohibiting insiders from using undisclosed information on the market to buy and sell securities?	V		<p>to the company's website: http://www.yeoyih.com.tw/Investor Service/Articles of Incorporation Electronic File Section and implement it according to the regulations. The auditors will also regularly supervise its implementation.</p> <p>(IV) The Company has formulated the "Code of Ethical Conduct," "Code of Integrity Management," and "Corporate Governance Best Practice Principles" (Please refer to the company's website: http://www.yeoyih.com.tw/Investor Service/Articles of Incorporation Electronic File Section and implement it according to the regulations. The auditors will also regularly supervise its implementation.</p>	No significant difference.
III. The Organization and Function of the Board (I) Has the Board of Directors formulated a member composition diversification policy and specific management objectives and implemented them accordingly? (II) Has the company voluntarily set up various other functional committees in addition to the Salary and Remuneration Committee and the Audit Committee established	V	V	<p>(I) The company has regulated the composition diversity of the Board of Directors via the "Corporate Governance Best Practice Principles." The professional background of the board members covers accounting, industry, finance, marketing, and other fields. For related explanations, please refer to page 11.</p> <p>(II) The Company formulated the "Remuneration Committee Organization Regulations" during the board meeting on August 8, 2011 (please refer to the Company's website: http://www.yeoyih.com.tw/Investor Service/Articles of Incorporation Electronic File Section and elected 3 members</p>	No significant difference. No significant difference.

Assessment item	Operation Status (Note 1)			Variations from the Corporate Governance Best Practice Principles for TWSE/TPEX listed Companies and the reasons
	<u>Yes</u>	<u>No</u>	Description	
according to the law?			<p>to form the Remuneration Committee. For the current status of the Remuneration Committee, please refer to page 46. The "Audit Committee Organization Regulations" (please refer to the Company's website: http://www.yeoyih.com.tw/Investor Service/Articles of Incorporation Electronic File Section) was established at the Board of Directors' Meeting on January 28, 2021, and the Audit Committee was established on July 21, 2021, with three members elected to form the Audit Committee. For the current status of the Audit Committee, please refer to page 34.</p> <p>Other functional committees have not yet been established.</p>	
<p>(III) Has the Company established a board performance assessment measure and evaluation method, performed performance evaluation annually and regularly, reported the performance evaluation results to the board of directors, and applied the results to individual directors' salary and nomination renewal?</p> <p>(IV) Has the Company regularly assessed the independence of CPAs?</p>	V		<p>(III) The Company has passed the "Board of Directors Self-/Peer-Evaluation Methods" on January 19, 2015 via the board of directors resolution. The internal performance evaluation for the board of directors shall be conducted at least once a year. The 2024 board of directors' internal performance evaluation results were submitted to the Board of Directors meeting on March 13, 2025 and will also be used as a reference for remuneration and reelection nomination for individual directors.</p> <p>(IV) The Company has evaluated the CPAs yearly, and the annual assessment review was submitted to the board of directors for review and deliberation on January 19, 2015.</p> <p>The Company's Audit Committee and Board of Directors</p>	<p>No significant difference.</p> <p>No significant difference.</p>

Assessment item	Operation Status (Note 1)			Variations from the Corporate Governance Best Practice Principles for TWSE/TPEX listed Companies and the reasons			
	<u>Yes</u>	<u>No</u>	Description				
			<p>assess the independence and suitability of the CPAs every year. In addition to requiring the CPAs to provide the "Declaration of Independence" and "Audit Quality Indicators (AQIs)", the assessment is conducted in accordance with the standards in Note 1 and AQI indicators. After confirmation, the CPAs have no other financial interests and business relationships with the Company except for the fees for audit and tax cases. The members of the CPAs' family do not violate the independence requirements, and the CPAs and their firms have also referred to the AQI indicator information to ensure that the audit experience and training hours of the CPAs are better than the average level of the industry. In addition, the Company will continue to introduce digital audit tools in the next 3 years to improve the audit quality.</p> <p>The certifying CPAs for the past year were Kuo-Ming Lee and Shu-Man Tsai of Crowe Horwath (TW) CPAs. After being discussed and reviewed at the Audit Committee meeting on January 16, 2025, their independence and suitability were approved by resolution at the board meeting on January 16, 2025.</p> <p>The assessment items are as follows:</p> <p>I. CPA Assessment Items</p> <table border="1"> <tr> <td>Item</td> <td>Assessment item</td> <td>Certified Public Accountant</td> </tr> </table>	Item	Assessment item	Certified Public Accountant	
Item	Assessment item	Certified Public Accountant					

Assessment item	Operation Status (Note 1)				Variations from the Corporate Governance Best Practice Principles for TWSE/TPEX listed Companies and the reasons
	<u>Yes</u>	<u>No</u>	Description		
				(CPA)	
				Kuo-Ming Lee	Shu-Man Tsai
	1	Independence	Yes	Yes	
	2	Suitability	Yes	Yes	
	3	Not changed for 7 years in a row	No	No	
	4	Subject to punishment.	No	No	
II. The items for assessing CPA independence are as follows: (Note 1)					
		Assessment item	Assessment results	Whether the transaction meets the criteria of independence	
	1.	Does the CPA have a direct or significant indirect financial interest relationship with the Company?	No	Yes	
	2.	Does the CPA have any loan or guarantee with the Company or the directors of the Company	No	Yes	

Assessment item	Operation Status (Note 1)					Variations from the Corporate Governance Best Practice Principles for TWSE/TPEX listed Companies and the reasons
	<u>Yes</u>	<u>No</u>	Description			
			3. Does the CPA have a close business and potential employment relationship with the Company	No	Yes	
			4. Has the CPA or his/her audit team members served as directors or managers of the Company or any position that has a significant impact on the audit work presently or in the last two years	No	Yes	
			5. Has the CPA provided the Company with non-audit services that may directly affect the audit work	No	Yes	
			6. Has the CPA ever brokered stocks or other securities issued by the Company	No	Yes	
			7. Has the CPA served as	No	Yes	

Assessment item	Operation Status (Note 1)					Variations from the Corporate Governance Best Practice Principles for TWSE/TPEX listed Companies and the reasons
	<u>Yes</u>	<u>No</u>	Description			
			the defender of the Company or represented the Company to arbitrate conflicts with other third parties			
IV. Has the company listed on the TWSE/TPEX designated several qualified personnel? Did it appoint an officer to administer corporate governance (including but not limited to the supply of information for the Directors and Supervisors in performing their duties, holding of meetings for the Board and the Shareholders Meeting and handling related matters, assisting the Directors and Supervisors in legal compliance, and compilation of the minutes of meetings of the Board and Shareholders Meeting on record)?	V		8. Is the CPA related to the Company's directors, managers, or persons who can significantly influence the audit case	No	Yes	No significant difference.

Assessment item	Operation Status (Note 1)			Variations from the Corporate Governance Best Practice Principles for TWSE/TPEX listed Companies and the reasons
	<u>Yes</u>	<u>No</u>	Description	
V. Has the Company established channels for communication with the stakeholders (including but not limited to the shareholders, employees, customers, and suppliers) and a section for the stakeholders on the official website of the Company to respond to all concerns of the stakeholders on corporate social responsibility?	V		The Company has appointed spokespersons and acting spokespersons to handle the relevant matters, has established a special area for stakeholders on the Company's website (Yeou Yih website\investor service\company information\stakeholder area), and listed the name and contact information of the person in charge of each business communication channel to facilitate the connection of various enterprises and smooth communication with interested parties.	No significant difference.
VI. Has the Company appointed a professional share registration and investors service agent for handling matters about the shareholders meeting?	V		The Company has commissioned Grand Fortune Securities to handle the shareholders' meeting-related matters for the Company.	No significant difference.
VII. Information Disclosure (I) Has the Company established a website to disclose its financial business and corporate governance information?	V		(I) The Company has established a website to query related financial business and corporate governance-related information. Company website: http://www.yeouyih.com.tw/	No significant difference.
(II) Has the Company adopted other information disclosure methods (such as setting up an English website, appointing a special person to take charge of company information collection and disclosure,	V		(II) The Company has designated personnel to report various public information at the "Market Observation Post System" regularly and irregularly according to regulations and set up spokespersons and acting spokespersons to speak to the outside world. The Company's website also has a special section for investors' conferences.	No significant difference.

Assessment item	Operation Status (Note 1)			Variations from the Corporate Governance Best Practice Principles for TWSE/TPEX listed Companies and the reasons								
	<u>Yes</u>	<u>No</u>	Description									
implementing a spokesperson system, or placing the corporate briefing process in the Company's website)? (III) Has the Company disclosed and declared the financial statements within 2 months after the end of the fiscal year and announced and declared the financial statements covering Q1, Q2, and Q3, and the monthly business reports before the deadline?	V		<p>(III) 1. 2024 annual financial report announcement dates are as follows:</p> <table border="1"> <tr> <th>Quarter 1</th><th>Quarter 2</th><th>Quarter 3</th><th>Quarter 4</th></tr> <tr> <td>2024/05/08</td><td>2024/08/09</td><td>2024/11/08</td><td>2025/03/13</td></tr> </table> <p>2. The operation situation of each month of 2024 was announced and filed by the deadline.</p> <p>3. Related information on the financial statements is disclosed on the Company's website.</p>	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2024/05/08	2024/08/09	2024/11/08	2025/03/13	No significant difference.
Quarter 1	Quarter 2	Quarter 3	Quarter 4									
2024/05/08	2024/08/09	2024/11/08	2025/03/13									
VIII. Does the Company have other important information that can facilitate understanding of the Company's corporate governance (including, but not limited to, employee rights, employee care, investor relations, supplier relationships, stakeholder rights, director and supervisor training status, risk management policies and metrics implementation status, customer policy implementation status, and director and supervisor insurance purchase status by the Company)?	V		<p>(I) Employees' rights and interests: In addition to providing labor health insurance and retirement systems, the Company also offers group insurance, regular health checkups, various education and training, and appeal channels to protect employees' rights and interests.</p> <p>(II) Employee care: In addition to providing year-end bonuses and employee dividends, the Company has also established an employee welfare committee to promote various welfare measures and activities (see page 93 of the annual report).</p> <p>(III) Investor relations: The Company's relevant operating information is reported to the Market Observation Post System or placed on the Company's website according to regulations. We have also established a window for answering questions from investors and shareholders on the</p>	No significant difference.								

Assessment item	Operation Status (Note 1)			Variations from the Corporate Governance Best Practice Principles for TWSE/TPEX listed Companies and the reasons
	<u>Yes</u>	<u>No</u>	Description	
			<p>Company's website, which shows the contact numbers and mailboxes of spokespersons, stock agents, etc., to establish communication channels for investors.</p> <p>(IV) Supplier relationship: The Company has established a "Supplier Management Operation" for supplier assessment to ensure that the suppliers' quality, price, and delivery conditions meet the Company's needs before establishing a partnership.</p> <p>(V) Rights of stakeholders: The Company has established an investor service area on the Company website to disclose the Company's operating information and provide a Q&A window for investment shareholders at any time. It contains the contact numbers and email addresses of spokespersons, stock agents, stakeholders associated with banks, creditors, employees, consumers, suppliers, communities, or the Company's interests to maintain their legal rights.</p> <p>(VI) Advanced training directors and supervisors: The Company provides information on various advanced training courses for directors and supervisors from time to time and reports the relevant course participation information for directors and supervisors on the "Market Observation Post System."</p> <p>(VII) Risk management policy and risk measurement standard implementation status: The Company has strengthened its corporate risk management in recent years based on the latest internal audit development and standard requirements</p>	

Assessment item	Operation Status (Note 1)			Variations from the Corporate Governance Best Practice Principles for TWSE/TPEX listed Companies and the reasons
	<u>Yes</u>	<u>No</u>	Description	
			<p>by providing cautions and strict risk detection, assessment, reporting, and handling. The Company's risk control is divided into three levels (mechanisms): The first mechanism is the organizer and the contractor, who must take responsibility for the initial risk detection, assessment, control, design, and prevention for various operations. The second mechanism is the various management meetings chaired by the president or board chairman. In addition to feasibility assessment, it also includes various risk assessments. The third mechanism is the reviews by the audit office and the board of directors. The company does not have a chief risk officer. Its purpose is to comprehensively control risks for all employees. This layer-by-layer prevention is the most practical risk control method rather than single-person control.</p> <p>(VIII) Customer policy implementation status: In addition to our business department actively contacting customers, the Company has also introduced the Company's product specifications and related information on the Company website. We have also established a client contact mailbox to keep the contact channels open and serve the customers.</p> <p>(IX) Circumstances in which the company purchases liability insurance for directors and supervisors: The company has purchased US\$1 million liability insurance for directors and supervisors every year since 2005.</p>	

Assessment item	Operation Status (Note 1)			Variations from the Corporate Governance Best Practice Principles for TWSE/TPEX listed Companies and the reasons
	<u>Yes</u>	<u>No</u>	Description	
			(X) The Company has notified all directors and supervisors to attend board of directors meetings, and the attendance status is good.	
IX. The state of corrective action taken in response to the corporate governance evaluation result announced by the Corporate Governance Center of the Taiwan Stock Exchange Corporation, and other issues requiring special effort for improvement and related measures in the most recent year. Priority improvement: Set up other functional committees.				

Note 1: Regardless of whether the operation status is checked "Yes" or "No," it should be clarified in the summary description column.

(IV) If the Company has established a Remuneration Committee, disclose its composition, responsibilities, and operation: The Company has formulated the "Remuneration Committee Organization Regulations" during the board meeting on August 8, 2011 (please refer to the Company's website: <http://www.yeouyih.com.tw/Investor Services/E-file Area for Articles of Incorporation>) and elected 3 members to form the Remuneration Committee.

1. Profiles of the members of the Remuneration Committee:

Identity Status (Note 1)	Name	Qualifications	Professional Qualifications and Experience (Note 2)	Independence Status (Note 3)	The number of public companies where the person also holds positions in their remuneration committees.
Convener	Mei-Yao Chang		Specialties: Human Resources Education and Administration Education: PhD, Department of Industrial Science and Technology Education, National Kaohsiung Normal University Experience: Director of Qingyuan Nursery School Current position: Independent Director of Yeou Yih Steel Co., Ltd. Remuneration Committee Convener of Yeou Yih Steel Co., Ltd. Audit Committee Member of Yeou Yih Steel Co., Ltd. Full-time Associate Professor of Cheng Shiu University Adjunct Associate Professor of National Kaohsiung First University of Science and	1. Ratio of shares held by the subject, the subject's spouse, or relatives within the second degree of kinship (or held under the names of others): None. 2. Serving as a director, supervisor, or employee of a company that has a specific relationship with this Company: None. 3. The amount of remuneration received for providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the last 2 years: None.	0

		Technology		
General Members	Chih-Hsueh Lin	<p>Specialties: Information security control</p> <p>Education: Doctoral Graduate from the Department of Computer Science and Engineering, National Sun Yat-sen University</p> <p>Experience: Assistant Professor of SHU-TE University Computer and Communication</p> <p>Current position: Independent Director of Yeou Yih Steel Co., Ltd. Audit Committee Member of Yeou Yih Steel Co., Ltd. Audit Committee Member of Yeou Yih Steel Co., Ltd.</p>	<p>1. Ratio of shares held by the subject, the subject's spouse, or relatives within the second degree of kinship (or held under the names of others): None.</p> <p>2. Serving as a director, supervisor, or employee of a company that has a specific relationship with this Company: None.</p> <p>3. The amount of remuneration received for providing business, legal, financial, accounting, and other services to the Company or its affiliated companies in the last 2 years: None.</p>	0
General Members	Yu-Liang Pan	<p>Specialties: Administrative Management of Internal Control System</p> <p>Education: Executive Master of Business Administration (EMBA), NSYSU</p> <p>Experience: Kaohsiung County Councilor and Head of Yanchao Township</p> <p>Current position: Independent Director of Yeou Yih Steel Co., Ltd. Remuneration Committee Convener of Yeou Yih Steel Co., Ltd. Audit Committee</p>	<p>1. Ratio of shares held by the subject, the subject's spouse, or relatives within the second degree of kinship (or held under the names of others): None.</p> <p>2. Serving as a director, supervisor, or employee of a company that has a specific relationship with this Company: None.</p> <p>3. The amount of remuneration received for providing business, legal, financial, accounting, and</p>	0

		Member of Yeou Yih Steel Co., Ltd. Special Assistant to Chairman, Qualipoly Chemical Corp.	other services to the Company or its affiliated companies in the last 2 years: None.	
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Note 1: Please specify the relevant working years, professional qualifications, experience, and independence of the members of the remuneration committee in the form. For an independent director, please refer to the relevant contents on the director and supervisor information (1) on page ○○ of Table 1. Please fill in the identity as an independent director or other (please add a note for the convener).

Note 2: Professional qualifications and experience: State the professional qualifications and experience of individual members of the Remuneration Committee.

Note 3: Independence compliance status: Remuneration committee members must state their independence status, including, but not limited to, whether they themselves, their spouse, or relatives within the second degree of kinship have served as directors, supervisors, or employees of the Company or its affiliates; the number and ratio of Company shares held by them, their spouse, or relatives within the second degree of kinship (or under the name of others); whether they have served as directors, supervisors, or employees of a company that has a specific relationship with this Company (refer to Subparagraphs 5-8, Paragraph 1, Article 6 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); and the remuneration received for providing business, legal, financial, accounting, and other services to this Company or its affiliates in the last 2 years.

Note 4: For disclosure methods, please refer to the best practice reference examples contained on the TWSE Corporate Governance Center website.

2. Compensation Committee Operating Status Information:

(1) Remuneration Committee of the Company contains 3 members.

(2) Current term: June 19, 2024 to June 18, 2027. The most recent annual Remuneration Committee held 3 meetings (A), and the qualifications and attendance of the members are as follows

Title	Name	Actual attendance number (B)	No. of attendance by proxy	Actual attendance rate (%) (B/A) (Note)	Remarks
Convene member	Mei-Yao Chang	3	0	100.00%	Re-elected on June 19, 2024 With independent director status.
General Members	Chih-Hsueh Lin	2	0	100.00%	Resigned on June 19, 2024 With independent director status.
General Members	Yu-Liang Pan	3	0	100.00%	Re-elected on June 19, 2024 With independent director status.

General Members	Yi-Ting Tsai	1	0	100.00%	Elected on June 19, 2024 With independent director status.
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Other matters to be recorded:

- I. If the Board of Directors does not adopt or amend the Remuneration Committee's recommendations, state the date of the Board of Directors meeting, the period, the content of the proposal, the results of the Board of Directors' resolutions, and the Company's handling of the Remuneration Committee's opinions (if the remuneration approved by the Board of Directors is better than the recommendation of the Remuneration Committee, state the difference and the reason): As of December 31, 2024, the Company's directors have adopted all the recommendations of the Remuneration Committee.
- II. For Remuneration Committee's resolutions, if the members have objections or reservations with records or written statements, state the Remuneration Committee's meeting date, period, proposal content, all members' opinions, and the Company's handling of the Remuneration Committee's opinions: As of December 31, 2024, all the Company's Remuneration Committee members have agreed to all proposals.
- III. The remuneration committee operations shall state the meeting date, period, proposal contents, resolution results, opinions of all independent directors, and how the Company handles the opinions of independent directors:

Meeting Date	Agenda	Resolution Result	Independent Director Objection Handling
5th term 6th Meeting 2024/01/26	<ol style="list-style-type: none"> 1. Minutes of previous meetings and implementation status reports. 2. 2023 annual performance evaluation results and remunerations discussion proposal for the Company's managers for ratification. 3. Discussion on the 2023 year-end bonus payment recommendation. 	<p>Execute according to the resolution contents.</p> <p>After the chairman consulted the attending committee members present, there was no objection.</p> <p>After the chairman consulted the attending committee members present, there was no objection.</p>	N/A
5th term 7th Meeting 2024/03/12	<ol style="list-style-type: none"> 1. Minutes of previous meetings and implementation status reports. 2. Discussion proposal on the Company's 2023 employee and director remuneration distributions. 	<p>Execute according to the resolution contents.</p> <p>After the chairman consulted the attending committee members present, there was no objection.</p>	N/A
6th term 1st meeting 2024/11/08	<ol style="list-style-type: none"> 1. Minutes of previous meetings and implementation status reports. 2. Discussion about the remuneration to the 6th Round of the Remuneration Committee and the 2nd Round of the Audit 	<p>Execute according to the resolution contents.</p> <p>After the chairman consulted the attending committee members present, there was no objection.</p>	N/A

	Committee.		
6th term 2nd Meeting 2025/01/16	1. Minutes of previous meetings and implementation status reports. 2. Discussion on the 2024 year-end bonus payment recommendation.	Execute according to the resolution contents. After the chairman consulted the attending committee members present, there was no objection.	N/A
6th term 3rd Meeting 2025/03/13	1. Minutes of previous meetings and implementation status reports. 2. Discussion proposal on the Company's 2024 employee and director remuneration distributions.	Execute according to the resolution contents. After the chairman consulted the attending committee members present, there was no objection.	N/A

Note: (1) If a Remuneration Committee member leaves before a year is completed, the exit date must be indicated in the memo column. The actual meeting attendance rate (%) shall be calculated by the number of Remuneration Committee meetings held during service and the frequency of attendance in the meetings.

(2) If any Remuneration Committee members are elected before a year is completed, the (new and old) members' names shall be listed and specified in the remark column. They must indicate whether a specific member is new or re-elected as well as the election date. The actual attendance rate (%) is calculated based on the number of Remuneration Committee meetings and actual attendance during the working period.

3. Remuneration Committee's responsibilities: The scope of authority for this committee is to formulate proposals on the following items and submit them to the board of directors for discussion and resolution.

- I. Set the remuneration of directors.
- II. Set the remuneration of the chairman and managers.
- III. Other cases referred by the board of directors.

(IV) Information on members and operations of the Nomination Committee

1. Clarify the appointment qualifications and responsibilities of the Company's Nomination Committee members: The Company has not yet established a Nomination Committee.

2. The term of office for the committee members: From Year Month Day to Year Month Day. The Nomination Committee met 0 times (A) in the most recent year. The professional qualifications and experience of the members, attendance, and discussion items are as follows:

Title	Name	Professional Qualifications and Experience	Actual attendance No. (B)	No. of attendance by proxy	Actual attendance rate (%) (B/A) Note	Remarks
Convener						
Member						
Member						

Other matters to be recorded:

Describe the Nomination Committee's meeting date, period, proposal contents, proposals, objections of the nomination committee members, resolution results, and how the Company handles the Nomination Committee's opinions.

Note:

- (1) If a Nomination Committee member leaves before a year is completed, the exit date must be indicated in the memo column. The actual meeting attendance rate (%) shall be calculated by the number of Remuneration Committee meetings held during service and the frequency of attendance in the meetings.
- (2) If any Nomination Committee members are elected before a year is completed, the (new and old) members' names shall be listed and specified in the remark column. They must indicate whether a specific member is new or re-elected as well as the election date. The actual attendance rate (%) is calculated based on the number of Remuneration Committee meetings and actual attendance during the working period.

(V) Sustainable Development Implementation Status and Reasons for Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”

Sustainable Development Implementation Status and Reasons for Deviation from the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”

Assessment item	Operation Status (Note 1)			Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description (Note 2)	
I. Has the Company established a governance structure to promote sustainable development and set up a dedicated (part-time) unit to promote sustainable development? Has the board of directors authorized senior management to handle the matter, and what is the board of directors' supervision status? (The TWSE/TPEX listed company shall report the implementation status, not the compliance or interpretation.)	V		<p>(I) Governance structure for sustainable development: The Sustainable Development Committee shall perform the following duties with the due care of a prudent manager, and report to the Board of Directors.</p> <p>(II) Implementation Status</p> <p>1. The Board of Directors of the Company approved the "Sustainable Development Committee Charter" on August 9, 2024, and resolved to establish the Sustainable Development Committee. Director Chien-Liang Liu was appointed as the Chief Sustainability Officer responsible for supervising and implementing matters. Four functional groups were established for different businesses, namely the Corporate Governance Group, the Environmental Sustainability Group, the Social Welfare Group, and the Sustainability Information Disclosure Group. Corporate Governance Officer Li-Tung Chen serves as the leader of the Corporate Governance Group. Assistant Vice President Chien-Hsing Lee of the Production and Technology Department serves as the leader of the Environmental Sustainability Group. Manager Kuo-Tang Chen of the</p>	No significant difference.

Assessment item	Operation Status (Note 1)			Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description (Note 2)	
			<p>Administration Department serves as the leader of the Social Welfare Group. Assistant Vice President Tsung-Chih Chen of the Finance Department serves as the leader of the Sustainability Information Disclosure Group.</p> <p>2. The Sustainable Development Committee's groups conduct the promotion of their respective business, and the Chief Sustainability Officer convenes a meeting at the beginning of each year to report the operation and implementation status. The annual implementation results are then reported to the Board of Directors.</p> <p>3. The implementation status of 2024 is summarized and reported to the Sustainable Development Committee on March 13, 2025, and the Board of Directors on March 13, 2025.</p> <p>(III) Describe the Board of Directors' supervision on sustainable development, including but not limited to the management approach, strategy and goal setting, and review measures.</p>	
II. Has the Company conduct risk assessments of environmental, social and corporate governance issues pertaining to company operations in accordance with the materiality principle, and establish the relevant risk management policy or strategy? (Note	V		<p>(I) Environmental Protection</p> <p>The company is a stainless steel processing and manufacturing plant, and its products are mainly stainless steel medium-thickness plates. As a global citizen, the Company deeply understands the importance of environmental sustainability. We aim to introduce the environmental management system to minimize</p>	No significant difference.

Assessment item	Operation Status (Note 1)			Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description (Note 2)	
2)			<p>environmental violation risks, promote long-term resource recycling and wastewater recycling projects, and implement personnel education and training. The goal is to strengthen environmental awareness and improve resource use efficiency.</p> <p>The relevant production operations are operated according to the environmental management system. Internal and regular meetings are held to review the effectiveness of the implementation. The environmental safety team implements and promotes environmental policies, establishes detailed documents and records, and actively implements environmental protection actions. The Company has assigned dedicated personnel to conduct relevant monitoring and management operations each day. The Company has also established a "Risk Management Scoring Benchmark" for annual analysis to review and improve environmental impact projects and fulfills corporate social responsibility.</p> <p>(II) Product Responsibility</p> <p>Yeou Yih Steel Co., Ltd. has obtained the following certifications to ensure that the Company's products comply with laws and regulations:</p> <ol style="list-style-type: none"> 1. Passed the German TUV ISO9001: 2015 International Quality Management Qualification certification. 2. Obtained the "PED/AD2000-W0/W2/W10 pressure vessel material manufacturer" certificate certified from 	

Assessment item	Operation Status (Note 1)			Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description (Note 2)	
			<p>German TUV.</p> <p>3. Obtained the German TUV "Building Material Manufacturer" certification</p> <p>4. Obtained the Norwegian "DNV.GL VL304L/VL316L Shipbuilding Materials Factory Verification" certification</p> <p>5. Passed the British SGS ISO14001:2015 International Environmental Management System certification</p> <p>Yeou Yih International Co., Ltd. has obtained the following certifications to ensure that the Company's products comply with laws and regulations:</p> <p>1. Japan's "Industrial Standard JIS MARK" certification.</p> <p>(III) Employee & Employer Relations</p> <p>1. The Company has formulated regulations such as "Work Rules," "Labor Safety and Hygiene Code," and "Labor Retirement Measures" according to the labor-related laws and international human rights conventions and submits them to the competent authority for approval and reference.</p> <p>2. The Company's employees can also fill out complaints and put them in the suggestion box in addition to submitting complaints through monthly department meetings and labor-management meetings. The management department shall handle the complaints.</p> <p>3. The Company has revised the "Safety and Hygiene Work Rules" according to laws and regulations and</p>	

Assessment item	Operation Status (Note 1)			Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description (Note 2)	
			<p>printed a manual to distribute to employees. The relevant dedicated units have regularly publicized and trained employees to ensure they abide by safety regulations during their working environment. Regular emergency response drills are held every year, including fire drills.</p> <p>4. Implement regular labor health inspections, and detect noise and heavy metals inside and outside the factory each year according to safety, health, and environmental protection regulations. Schedule the "Occupational Disaster Prevention" and "Noise Hazards" courses into the annual education and training plan.</p> <p>5. The Company employees conduct bilateral communications with employers through monthly departmental meetings and submit questions to the monthly management meetings for processing.</p> <p>6. All new employees of the Company have received on-the-job training. In addition to the professional education and training executed by the department during their employment, employees can also participate in various training courses provided by external institutions to enrich their professional learning skills.</p> <p>(IV) Anti-corruption</p> <p>1. The Company's corporate integrity promotion</p>	

Assessment item	Operation Status (Note 1)			Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description (Note 2)	
			<p>management has been approved by the board of directors on February 21, 2011, to formulate the "Code of Integrity Management," and the board of directors approved the formulation of the "Code of Ethical Conduct" on April 25, 2011, for compliance.</p> <p>2. The relevant rules and regulations have been published on the Company's website for the convenience of the Company's colleagues and outsiders.</p> <p>3. This operation is promoted by the secretariat, directly subordinate to the board of directors, and the implementation status is regularly reported to the board of directors.</p> <p>4. The implementation of the promotion of ethical corporate management for 2024 was reported to the Board of Directors on January 16, 2025.</p> <p>(V) Legal compliance</p> <p>The Company has abode by relevant regulations such as product specifications, fair trade laws, international trade laws, import and export laws, environmental protection laws, and labor laws. We have also planned internal education and training programs to advocate laws and regulations.</p>	
III. Environmental Issues (I) Has the Company established an appropriate environmental management system according to its	V		(I) The Company has established an environmental management system according to ISO 14001, reviewed the Company's relevant environmental laws and regulations	No significant difference.

Assessment item	Operation Status (Note 1)			Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description (Note 2)	
industrial characteristics?			<p>regularly, formulated the Company's operating rules and regulations according to legal requirements, and reviewed the implementation performance.</p> <p>(II) The Company is currently certified by the ISO 14001 Diameter Change Management System. The scope of the certification is: hot-rolled steel plate manufacturing, and the validity period is until November 10, 2027.</p>	No significant difference.
(II) Is the Company committed to improving energy and efficiency and using recycled materials with reduced environmental impacts?	V		<p>(I) The Company is actively committed to energy saving and carbon emissions reduction, and participated in the Energy Bureau's counseling project in cooperation with the Metal Center in 2023, and introduced the "Intelligent Reconfigurable Thermal Storage Combustion System Development Project" to update the solidification Furnace B burner to a thermal storage burner, which reduces the natural gas consumption by 28.5%~31.5% compared to the original burner.</p>	No significant difference.
(III) Has the Company assessed the potential risks and opportunities brought by climate changes for the present and future, and adopted the relevant countermeasures?	V		<p>(I) The Company is not a major consumer of electricity, but in consideration of the risk of climate change, we regularly conduct environmental risk assessments and adopt countermeasures. In recent years, the Company has been improving the recycling of process water and various power-saving measures, such as switching to LED lighting and changing the air-conditioning compressor to an inverter type. At the same time, we have improved the efficiency of our burners and reduced Furnace A natural gas consumption by 44.5%.</p>	No significant difference.

Assessment item	Operation Status (Note 1)			Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description (Note 2)	
(IV) Has the Company calculated its greenhouse gas emissions, water consumption, and the total weight of waste for the past two years; and has the Company formulated any carbon reduction, greenhouse gas reduction, water use reduction, or other waste management-related policies?	V		<p>(I) The Company's environmental statistics for 2023 and 2024 are as follows:</p> <p>1. Greenhouse gas:</p> <p>2023</p> <p>Scope 1: Approximately 3122.6841 tons of CO2 equivalent weight, which is equivalent to 95 kg CO2e per ton of product.</p> <p>Scope 2: Approximately 1572.6317 tons of CO2 equivalent weight.</p> <p>Scope 1+2 Total: 4695.3158 tons of CO2 equivalent weight.</p> <p>2024</p> <p>Scope 1: Approximately 2405.0367 tons of CO2 equivalent weight, which is equivalent to 81 kg CO2e per ton of product.</p> <p>Scope 2: Approximately 1567.1043 tons of CO2 equivalent weight.</p> <p>Scope 1+2 Total: 3972.141 tons of CO2 equivalent weight.</p> <p>2. Water consumption</p> <p>2023</p> <p>Water Consumption: 29293 m³</p> <p>Equivalent to about 0.89 m³ of water per ton of product.</p> <p>2024</p> <p>Water Consumption: 20709 m³</p>	

Assessment item	Operation Status (Note 1)			Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description (Note 2)	
			<p>Equivalent to about 0.70 m³ of water per ton of product.</p> <p>(3) Waste:</p> <p>2023</p> <p>Hazardous commercial waste: 60.99 tons</p> <p>General commercial waste: 147.21 tons</p> <p>Domestic waste: 13.34 tons</p> <p>Resource recycling: 1.32 tons</p> <p>2024</p> <p>Hazardous commercial waste: 62.53 tons total</p> <p>General commercial waste: 215.11 tons total</p> <p>Domestic waste: 14.81 tons total</p> <p>Resource recycling: 1.357 tons</p> <p>(II) In response to environmental-related issues, the Company implemented greenhouse gas verification (Scope 1 and Scope 2) in 2023 and commissioned TUV Rheinland to conduct verification on August 20, 2024.</p>	
IV. Social Issues (I) Has the Company established related management policies and procedures according to applicable laws and international human rights conventions?	V		<p>(I) The Company has formulated a Human Rights Policy and Management Plan to support and follow the basic human rights principles provided by the "Universal Declaration of Human Rights," the "Two International Covenant on Human Rights," "The United Nations Global Compact," and the International Labour Organization's "Declaration on Fundamental Principles and Rights at Work."</p> <p>(II) Human rights policies include: diversity and inclusiveness and equal job opportunities, constructing reasonable labor</p>	No significant difference.

Assessment item	Operation Status (Note 1)			Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description (Note 2)	
(II) Has the Company established and pursued reasonable welfare policies for the employees (including remuneration, holidays, and other benefits) and reflected the performance or results of operations in the remunerations to the employees?	V		<p>conditions, opposing forced labor, opposing child labor, humane treatment, working environment health and safety, privacy protection, benign labor communication, value chain responsibility, etc.</p> <p>(III) Specific management programs include: gender equality and diverse recruitment strategies, smooth channels for reflecting opinions, etc.</p> <p>(IV) Human rights risk mitigation measures include: human rights assessment and investigation process, human rights protection training practices, legal employment, human rights policy management indicators, etc.</p> <p>(I) Employee welfare measures, training, training and retirement systems and their implementation:</p> <p>1. Employee welfare measures:</p> <p>Comply with labor insurance regulations to apply for labor insurance so workers may enjoy labor insurance protection. Employees and their family members must join the national health insurance and enjoy other due benefits and protections. The company applied to organize an Employee Welfare Committee according to the relevant laws and regulations, which was approved and registered on May 4, 2000. The Employee Welfare Committee handles domestic (foreign) travel, marriage, funeral, maternity subsidies, dinner parties, education and training, emergency relief, and other benefits.</p> <p>(2) Business performance:</p>	No significant difference.

Assessment item	Operation Status (Note 1)			Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description (Note 2)	
(III) Has the Company provided a safe and healthy work environment for employees and education on occupational safety and health for employees at regular intervals?	V		<p>The Company distributes employee bonuses based on operating performance every year and also provides performance bonuses to colleagues with special achievements and contributions.</p> <p>(I) The Company arranges various safety and health work items according to the safety and health annual plan, implements safety and health education and training, and performs inspection and maintenance for dangerous mechanical equipment. We also implemented a constant improvement to eliminate unsafe factors. Labor safety nurses are hired to conduct regular inspections of the health and activities of employees and propose improvement measures.</p> <p>(II) In 2024, no occupational accident occurred due to unsafe behaviors. The relevant safe operation regulations or education and training have been implemented to avoid recurrence.</p> <p>(III) The Company did not suffer from fire in 2024. The Company has also commissioned fire teams to conduct fire drills on employees to strengthen their ability to respond to fire.</p>	No significant difference.
(IV) Has the Company established an effective employee career development training program?	V		<p>(I) The Company has actively cultivated talents, attached great importance to the development of employees' career capabilities, and applied for the "Enterprise Human Resources Improvement Plan" of the Workforce Development Agency of the Ministry of Labor since 2021 to take advantage of government resources and implement</p>	No significant difference.

Assessment item	Operation Status (Note 1)			Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description (Note 2)	
(V) Regarding customer health and safety, customer privacy, marketing, and labeling topics, has the Company complied with the relevant regulations and international standards and devised the relevant consumer or customer protection policies and complaint procedures?	V		<p>talent cultivation systematically. We also applied for a "Human Resources Development Center" project in 2024, and hired professional consultants to give guidance to the factory. The goal is to enhance the Company's competitiveness and improve various internal management systems through training planning and implementation. The Company provides employees with internal or external training courses to cultivate employees' professional learning ability and engages in publicity activities related to labor safety and health. The goal is to educate employees on occupational accident prevention measures.</p> <p>(I) The stainless steel thick plate products produced by the Company are based on international standards such as ASTM, EN, JIS, and other specifications whereby we have passed product certification. Relevant regulations on customer service have been formulated under the ISO 9001 quality management system framework. In addition to ensuring the security of customer information, any customer service or complaint can be notified to the Company through the customer service contact form. After the Company handles the client's feedback, customer service notifies the client of the handling result.</p>	No significant difference.
(VI) Has the Company established a supplier management policy to demand suppliers observe applicable	V		<p>(I) To ensure that the quality of the Company's raw materials and outsourced operations meets the needs of the factory, we have established the "External Supplier Management</p>	No significant difference.

Assessment item	Operation Status (Note 1)			Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description (Note 2)	
rules and regulations governing environmental protection, occupational safety and health, labor rights, and the state of implementation?			<p>Procedure" and evaluated and assessed suppliers to meet quality requirements. Personnel from the procurement Unit must conduct relevant evaluation operations on the relevant basic information and various supporting documents provided by the supplier, such as ISO registration, material certification, or CPR / PED / DNV certificates, to ensure that the suppliers' quality and various capabilities can meet the Company's needs. The evaluation results are then shared with the original demand application units.</p> <p>(II) Supplier evaluation procedure: The quality of our suppliers significantly impacts the condition of our products. To ensure that suppliers can continue to maintain a certain delivery quality and serve as the foundation for rewards and punishments, the following supplier assessment methods are implemented:</p> <ol style="list-style-type: none"> 1. Information provision: Every year, the purchasing unit reviews the suppliers' delivery records. It compiles a list of the suppliers' delivery dates, quality, degree of collaboration, etc., which the purchasing unit uses to evaluate the suppliers. 2. Supplier assessment and approval The procurement Unit and other relevant units evaluate suppliers' delivery dates, quality, and cooperation yearly. 	

Assessment item	Operation Status (Note 1)			Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description (Note 2)	
			<p>The total number of suppliers to be evaluated in 2024 according to the External Supplier Management Procedures is 28. The passing rate was 100%.</p> <p>3. Environmental impact assessment procedures for contractors</p> <p>When issuing a contract or placing a purchase order, the procurement Unit must inform the factory of the environmental policy and requirements to convey the importance of environmental management.</p> <p>Each year, the procurement Unit must inspect the basic information of registered manufacturers before the end of December to identify those who have included significant environmental considerations or project contracts exceeding NT\$3 million and then issue a “Contractor Environmental Management Survey Questionnaire” to determine their environmental management status.</p> <p>Contractors who violated government environmental protection/industrial safety regulations, company environmental/industrial safety policies, etc., shall be registered in the “Contractor Industrial Safety and Environmental Protection Violation Registration Form.” The Company shall deduct their points according to supplier management procedures and require immediate improvement.</p> <p>Contractors registered in the “Contractor Industrial</p>	

Assessment item	Operation Status (Note 1)			Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description (Note 2)	
			<p>Safety and Environmental Protection Violation Registration Form" 3 times (inclusive) or more each year shall be noted in the "Watch List for Contractors Who did not Meet the Environmental Assessment Standards." Their qualification to be included in the qualified suppliers' list next year shall be reviewed. Suppose the products or services provided by a contractor have significant environmental considerations. In that case, the Procurement Unit shall inform the contractor of possible environmental impacts and require it to manage or prevent them. The engineering and environmental units shall assist the Procurement Unit in ensuring the contractors fully understand the requirements and terms of our factory's environmental management requirements as well as the relevant environmental laws and regulations. Contractors who have occupational accidents, environmental hazards, fires, and other general accidents during construction or operation in the factory area must immediately report the issues to the Company's Management Department as well as engineering and environmental units, accept investigations, and attend accident review meetings. All records generated due to the abovementioned incidents shall be kept for future reference according to the "Environmental Records Management Procedures."</p>	

Assessment item	Operation Status (Note 1)			Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary Description (Note 2)	
			Handling for "Watch List for Contractors Failing to Meet the Environmental Assessment Standards": Contractors registered in the "Contractor Industrial Safety and Environmental Protection Violation Registration Form" 3 times (inclusive) or more each year shall be noted in the "Watch List for Contractors Who did not Meet the Environmental Assessment Standards." Their qualification to be included in the qualified supplier's list next year shall be reviewed. Based on the Company's investigations, no violations of environmental and industrial safety laws and regulations by contractors in 2024 have occurred and the pass rate is 100%.	
V. Does the Company prepare corporate social responsibility reports and other reports that disclose non-financial information based on universal international reporting standards or guidelines? Does the company obtain assurance or certification of the aforesaid reports from a third-party accreditation institution?	V		The Company has established a company website to disclose information about its sustainable development operation efforts, and a dedicated person is responsible for maintaining this website.	The formulation of a sustainability report has been deliberated.
VI. If the Company has established sustainable development principles based on the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," describe the implementation and any deviations from the Principles: On March 17, 2023, the Board of Directors of the Company approved the establishment of the "Code of Practice for Sustainable Development" to strengthen the implementation of corporate social responsibility. The Company regularly reviews the implementation of the Code and makes				

Assessment item	Operation Status (Note 1)		Reasons for Deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies	
	Yes	No		
improvements accordingly.				
<p>VII. Other important information to facilitate better understanding of the Company's sustainable development practices:</p> <ol style="list-style-type: none"> 1. List the Company's various employee welfare measures, continuing education and training, retirement systems, labor-management agreements, and the various employee rights protection measures: See page 87 for details. 2. Solar power generation equipment is installed on the factory building's roof, and the solid solution furnace is constantly upgraded to reduce natural gas consumption. 				

Note 1: If the Current Implementation is ticked "Yes," please specify the important policies, strategies, measures, and implementation status adopted.

If the Current Implementation is ticked "No," please explain the difference and cause in the "Status and Reasons for Deviation from the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" field, and explain the plans to adopt relevant policies, strategies, and measures in the future. However, in relation to the promotion of items 1 and 2, TWSE/TPEx listed companies should describe the governance and supervisory framework for sustainable development, including but not limited to the management approach, strategy and goal setting, and review measures. Also describe the Company's risk management policies or strategies on environmental, social and corporate governance issues related to operations and their evaluation.

Note 2: The materiality principle refers to environmental, societal, and corporate governance issues that significantly impact company investors and other stakeholders.

Note 3: For disclosure methods, please refer to the best practice reference examples contained on the TWSE Corporate Governance Center website.

Climate Information for Listed Companies

1 Climate-related information implementation

Item	Implementation Status
1. Describe the oversight and governance of climate-related risks and opportunities by the board of directors and management.	The Board of Directors is the Company's highest governance body for climate change management and is responsible for guiding the Company's response and decision-making on climate change. The Company has designated the Production Department and the Technology Department as the dedicated units for greenhouse gas, and submits a progress report on the greenhouse gas inventory and verification schedule at each Board meeting, including the greenhouse gas inventory and verification schedule and actual progress, Information, government subsidies and equipment energy-saving improvement projects, to actively respond to the risks and challenges brought about by climate change.
2. Describe how the identified climate risks and opportunities affect the business, strategy and finances (short, medium and long term) of the enterprise.	Short-term refers to the next 1-3 years, medium-term refers to 3-5 years, and long-term refers to more than 5 years. Assess the potential financial and operational impacts of major climate risks and opportunities with high impact and high likelihood of occurrence, and develop response plans. Short-term climate risks, such as carbon tax/fee, are expected to increase indirect costs. If upstream suppliers pass on related expenses, it may also lead to higher procurement costs and lower profits. Short-term Climate Opportunities Take participation in renewable energy projects as an example. Procurement of renewable energy helps to diversify power purchase costs and risks, while reducing greenhouse gas emissions, thereby reducing carbon tax/carbon fee expenditures.
3. Describe the financial impact of extreme climate events and transformational actions.	For major climate risks and opportunities, the potential financial impacts on revenues, costs, and capital expenditures have been considered. Take the transformation of low-carbon technology as an example. The Company is committed to the improvement of process equipment to reduce the consumption of greenhouse gases, including the improvement of the solution furnace and the purchase of a new leveling machine. Through the capital expenditure of related equipment improvement projects, it is possible to reduce the carbon tax/carbon expenses.
4. Describe how climate risk identification, assessment and management processes are integrated into the	The Company's Board of Directors has approved the "Risk Management Policy and Procedures" on November 11, 2021 to organize existing departments or units with

overall risk management system.	risk responsibilities to carry out risk management within their scope of operations, and incorporate climate change risk into operational risk management.
5. If scenario analysis is used to assess the resilience to climate change risks, describe the scenario, parameters, assumptions, analysis factors and key financial impact used.	Currently, scenario analysis and assessment of resilience in the face of climate change risks are not performed. In the future, various scenario analysis and assessments are conducted depending on the degree of climate change impact of the Company.
6. If there is a transition plan to manage climate-related risks, describe the contents of the plan, and the indicators and targets used to identify and manage physical risks and transformation risks.	The Company actively promotes carbon neutrality to mitigate climate change, promotes the Company to gradually achieve net-zero emissions by 2050, and has set climate-related goals, including a 40% reduction of greenhouse gas emissions by 2030.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be described.	No internal carbon pricing was used in 2024.
8. If climate-related targets are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress of achievement should be stated; if carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and quantity of carbon credits to be offset or the quantity of renewable energy certificates (RECs) should be stated.	Climate-related activities Scope 1: Replacement of stationary combustion equipment with a regenerative combustion system to reduce natural gas consumption Scope 2: Replacing energy-consuming equipment to improve energy efficiency Scope 3: Optimization of process parameters to avoid waste of raw materials
9. Greenhouse gas inventory and assurance status, as well as reduction targets, strategies and concrete action plans (please fill in 1-1 and 1-2 separately).	Also filled in under "Greenhouse Gas Inventory and Assurance"

Note: Considering the promotion of climate-related information disclosures, the need to collect relevant information and build greenhouse gas inventory capabilities, a one-year buffer period is provided for listed companies to explicitly reveal the schedule from January 1, 2024 onwards.

1-1. The Company's greenhouse gas inventory and assurance in the last 2 years

1-1-1. Greenhouse gas inventory

Describe the greenhouse gas emission volume (metric tons CO₂ e), intensity (metric tons CO₂ e/NTD million), and data coverage for the most recent two years.

The greenhouse gas emission amount in 2023 was 5053 tons CO₂e, and 3972 tons CO₂e in 2024.

The 2023 GHG intensity was 1.43 tons CO₂ e/NT\$ million, and 1.62 tons CO₂ e/NT\$ million in 2024.

The information covers the Company's premises (No. 2, Yonggong 10th Rd, Yong'an District, Kaohsiung City).

Note 1: Direct emissions (scope 1, i.e. directly from emission sources owned or controlled by the Company), indirect energy emissions (scope 2, i.e. indirect greenhouse gas emissions from imported electricity, heat or steam) and Other indirect emissions (scope 3: emissions generated from corporate activities that are not indirect emissions from energy sources but come from sources owned or controlled by other companies).

Note 2: The data coverage of direct emissions and indirect energy emissions shall be handled in accordance with the schedule prescribed in Article 10, Paragraph 2. Other indirect emissions information may be disclosed voluntarily.

Note 3: Greenhouse gas inventory standard: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions can be calculated per unit of product/service or turnover, but at least the data calculated in terms of turnover (NTD million) shall be stated.

1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance in the last 2 years up to the date of publication of the annual report, including the scope of assurance, institutions of assurance, criteria of assurance, and opinions of assurance.

As of now, greenhouse gas third-party affirmation has been carried out from August 19 to 20, 2024, and greenhouse gas inventory affirmation has been completed. The scope of assurance is Category 1 and Category 2. The assurance agency is TÜV Rheinland. The assurance standards are based on the provisions of 14064-1:2018.

Note 1: The process shall be conducted in accordance with the schedule specified in Article 10, paragraph 2 of the guidelines. If the company has not obtained the full greenhouse gas assertion before the publication date of the annual report, it is necessary to indicate "complete assurance information will be disclosed in the sustainability report." , if the Company does not prepare a sustainability report, it should be noted that "complete assurance information will be disclosed on the Market Observation Post System" and complete assurance information will be disclosed in the next annual report.

Note 2: The assurance organization shall comply with the relevant provisions of the sustainability report confirmation set by the Taiwan Stock Exchange Corporation and TPEx.

Note 3: For disclosure content, please refer to the best practice reference examples contained on the TWSE Corporate Governance Center website.

1-2 Greenhouse gas reduction goals, strategies and concrete action plans

Describe the greenhouse gas reduction base year and data, reduction goals, strategies, and concrete action plans and achievement of the reduction goals.

The greenhouse gas base year is 2024, and the data has been affirmed. The Company has replaced the solution furnace regenerative burner to reduce natural gas consumption and carbon emissions.

Note 1: It shall be processed in accordance with the schedule prescribed in Article 10, paragraph 2 of the guidelines.

Note 2: The base year should be the year that the inspection is completed based on the boundary of the consolidated financial statements.

For example, pursuant to Paragraph 2, Article 10 of the Guidelines, a company with a capital of more than 10 billion should complete the inspection of the consolidated financial report for 2024 by 2025. Therefore, the base year is 2024. If the Company has completed the inspection of the consolidated financial statements ahead of schedule, the earlier year can be used as the base year, and the data of the base year can be calculated by a single year or the average of several years.

Note 3: For disclosure content, please refer to the best practice reference examples contained on the TWSE Corporate Governance Center website.

(VI) The Company's ethical corporate management status and measures adopted: The Company has formulated the Ethical Corporate Management Best Practice Principles, Internal Control System, Internal Audit System, and various management measures (please refer to the Company's website: <http://www.yeouyih.com.tw/Investor Services/E-file Area of Articles of Incorporation>). Our Audit Unit and external professionals (securities brokers, CPAs, etc.) also conduct periodic spot checks on the implementation status.

Ethical corporate management implementation status, the deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons

Assessment item	Operation Status (Note 1)			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-listed Companies and reasons
	Yes	No	Description	
I. Establishment of ethical corporate management policies and action plans (I) Has the Company specified its policies and methods for implementing ethical corporate management in its internal rules and regulations and external documents, and has the board and the management of the Company promised to implement the ethical corporate management policies?	V		The Company formulated the "Code of Ethical Conduct" on March 22, 2005, and the "Ethical Corporate Management Best Practice Principles" on February 21, 2011 based on the ethical corporate management principle (please refer to the Company's website: http://www.yeouyih.com.tw/Investor Service/Articles of Incorporation Electronic File Section) to strictly forbid offering or accepting bribes and providing illegal political contributions. These codes are implemented after approval by the Board of Directors and published on the Company's website for inquiry and compliance by the employees and external personnel.	No significant difference.
(II) Has the Company developed mechanisms for assessing integrity risks with routine analysis and assessment of business activities exposed to higher integrity risks in the operation, based on which the	V		The Company's "Code of Integrity Management" has stipulated a plan to prevent dishonest behavior and clearly defined operating procedures, behavior guidelines, violation punishment provisions, and complaint systems for various programs.	No significant difference.

Assessment item	Operation Status (Note 1)			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-listed Companies and reasons
	Yes	No	Description	
Company has planned to prevent unethical practices? The content shall cover at least the preventive measures in Paragraph 2 in Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies." (III) Has the Company established plans to prevent unethical practices and specified the operation procedures, code of conduct, punishment for violation, and system for disciplining and complaints, and have these plans been implemented with routine review and revision?	V		The "Code of Integrity Management" formulated by the Company has detailed the prohibition of directors, supervisors, managers, and their employees from engaging in business activities with a relatively higher risk of dishonesty as provided by Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies."	No significant difference.
II. Implementation of ethical corporate management (I) Has the Company evaluated the record of the counterparties on business ethics and explicitly stated business integrity as an integral part of the contracts when entering into agreements with counterparties of trade? (II) Does the Company have a dedicated	V		The Company has established an evaluation system for clients and manufacturers, evaluated the actual situation every year, and stipulated terms for behavioral honesty in purchase orders. The Company chairman's office is set as the full-time corporate	No significant difference. No significant

Assessment item	Operation Status (Note 1)			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-listed Companies and reasons
	Yes	No	Description	
unit under the Board of Directors to promote ethical corporate management and report regularly (at least once a year) to the Board of Directors on its ethical management policies and programs to prevent dishonest practices and monitor their implementation?			integrity management promotion unit. Its goal is to report on the previous year's corporate integrity management implementation status at the first board of directors meeting every year.	difference.
(III) Has the Company formulated a policy to prevent conflicts of interest, provide appropriate presentation channels, and implement them accordingly?	V		The Company's employees shall neither take advantage of their positions to benefit themselves or others nor accept kickbacks or other illegal benefits due to their duties or violations of their duties. If a member has any conflict of interest with a board of directors proposal, the member shall be recused from discussion and voting.	No significant difference.
(IV) Has the Company established effective accounting and internal control systems to properly implement ethical corporate management? Has the internal audit unit designed relevant audit plans based on the assessment results of integrity risks for preventing unethical practices and compliance with related rules and regulations or commissioned certified public	V		The Company's accounting and internal control systems are formulated according to the competent authority's relevant regulations and the Company's actual status. All departments practically promote the Company's business operations according to relevant regulations. The Accounting Department shall conduct audits according to the relevant regulations, and the Audit Unit shall regularly conduct audits and report to the board of directors.	No significant difference.

Assessment item	Operation Status (Note 1)			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-listed Companies and reasons
	Yes	No	Description	
accountants to conduct audits on unethical practices? (V) Has the Company provided internal and external training on business integrity?	V		<p>The Company has formulated the "Code of Ethical Conduct" and the "Ethical Corporate Management Best Practice Principles" (please refer to the Company's website: http://www.yeouyih.com.tw/Investor Services/E-file Area of Articles of Incorporation), specifying reporting channels and punishment and complaint systems for violation of ethical corporate management regulations, and publicize them to all employees for implementation.</p> <p>The Company has prepared a "Declaration of Corporate Integrity and Ethics," which is placed on the Company's website, and requires employees to sign it after reviewing and confirming it when they arrive at work. All employees of the Company have signed the declaration, which has been retained for recordkeeping.</p>	No significant difference.
III. The reporting system of the Company in practice (I) Has the Company established a substantive reporting and reward and punishment system and convenient channels for reporting and appointed designated personnel for handling the targets of reports? (II) Has the Company established	V		<p>The Company has established a whistleblowing system and complaint channels. Anyone can submit a letter during a departmental meeting or to a suggestion box. The Personnel Department will accept the case and report it to the relevant level for handling, depending on the whistleblowing matter.</p> <p>The Company shall keep the whistleblower's identity and the report's content strictly confidential.</p> <p>The Company shall keep the whistleblower's identity and the</p>	No significant difference. No significant

Assessment item	Operation Status (Note 1)			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-listed Companies and reasons
	Yes	No	Description	
standard operating procedures for responding to reports and complaints, the measures to be taken after the investigation, and related mechanisms for confidentiality? (III) Has the Company taken any measures to protect the informants from undue treatment?	V		whistleblower's content confidential. The "Regulations on Employee Feedback and Grievance Management" stipulates that all information related to the handling of whistleblowing cases shall be kept confidential, and that the Company is committed to protecting whistleblowers from being improperly treated due to their reports.	difference. No significant difference.
IV. Enhancement of information disclosure Has the Company disclosed its integrity management code's contents and implementation results on its website or the Market Observation Post System?	V		The Company has disclosed the "Code of Ethical Conduct" and the "Ethical Corporate Management Best Practice Principles" on its website (please refer to the Company's website: http://www.yeouyih.com.tw/Investor Services/E-file Area of Articles of Incorporation) the documents. The Company has prepared a "Declaration of Corporate Integrity and Ethics," which is placed on the Company's website, and requires employees to sign it after reviewing and confirming it when they arrive at work. All employees of the Company have signed the declaration, which has been retained for recordkeeping.	No significant difference.
V. If the Company has its code of integrity management pursuant to the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies," please describe the difference between its operation and the Principles: The Company has formulated the "Ethical Corporate Management Best Practice Principles" according to the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM- Listed Companies" promulgated by the competent authority on September 3, 2010 (please refer to the				

Assessment item	Operation Status (Note 1)			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-listed Companies and reasons
	Yes	No	Description	
Company's website: http://www.yeouyih.com.tw/Investor Services/E-file Area of Articles of Incorporation as the basis of ethical corporate management for all employees, manufacturers, and customers.				
VI. Additional important information that may assist in understanding corporate business integrity operations: (i.e., the Company has reviewed and amended the "Code of Ethical Operation") None. The Company's "Code of Integrity Management" was approved by the board of directors on February 21, 2011, and revised by the board of directors on March 17, 2015.				

Note 1: Regardless of whether the operation status is checked "Yes" or "No," it should be clarified in the summary description column.

(VII) Other important information that can enhance the understanding of the corporate governance operation status:

1. Managers' (president, vice president, accountant, finance, internal audit supervisor, etc.) corporate governance education and training participation status:

Title	Name	Training date	Organizer	Course title	Training hours
President	Jui-Hsin Chang	N/A			
Vice President	Chien-Liang Liu	2024/11/08	Corporate Operating and Sustainable Development Association	Corporate Governance and Securities Laws and Regulations	3
		2024/11/19	Securities and Futures Institute	Sustainable Development Committee and Sustainability Long-Term Seminar	3
Assistant Vice President of the Production Department	Chien-Hsing Lee	None			
Assistant Vice President of the Finance Department	Tsun-Chih Chen	2024/08/26 2024/08/27	Accounting Research and Development Foundation	Continuing Education Program for Accounting Officers	12
Assistant Vice President of Chairman's Office and Chief Corporate Governance Officer	Li-Wen Chen	2024/02/23	Corporate Operating and Sustainable Development Association	Corporate governance and securities regulations - 1. Insider trading prevention from the internal control view 2. Dividend policy-related laws and regulations and application doubts	3
		2024/04/12	Taiwan Investor Relations Association	Mastering the corporate wisdom of the company, and leading the company's corporate governance	3
		2024/11/08	Corporate Operating and Sustainable Development Association	Corporate Governance and Securities Laws and Regulations	3

		2024/12/17	Corporate Operating and Sustainable Development Association	Corporate Information Security Strategy: Prevention, Response, and the Future	3
Audit assistant manager	Chi-Lan Chou	2024/05/10	Accounting Research Foundation	Practice on the Compliance with the Amended Financial Report Preparation Related Internal Audit and Internal Control Laws and Regulations Under the "Regulations Governing Establishment of Internal Control Systems by Public Companies"	6
		2024/07/18	Accounting Research Foundation	How to Analyze Key Information of Corporate Finance and Strengthen the Ability to Detect Early Crisis Warnings	6

Note: On January 13, 2023, the Board of Directors approved the appointment of Assistant Vice President Li-Wen Chen as the Chief Corporate Governance Officer.

2. Have internal procedures for material information processing been formulated?: On April 30, 2009, the Company's board of directors approved the formulation and implementation of the "Internal Material Information Processing Procedures".
3. The status regarding obtaining the relevant licenses specified by the competent authority for the Company's financial information transparency-related personnel is as follows:
 - (1) International Internal Auditor Certificate: 1 person in the Management Department.
 - (2) R.O.C. Internal Auditor Certificate: 1 person from the Management Department and 1 person from the Finance Department.

4. The Company's key performance indicators:

(1) Finance indicator

Significance: Corporate financial structure, solvency optimization, and bank financing contract restrictions control.

Ratio	Formula	Target KPI	2023	2024
1. Debt ratio	Total liabilities/assets	<50%	21.09%	35.52%
2. Current ratio	Current assets/current liabilities	>150%	375.10%	213.08%
3. Interest coverage ratio	Net profit before income tax and interest expense/interest expense in the current period	>10	39.01	18.48

(2) Performance indicators

Significance: personnel and cost control as well as profit creation.

Ratio	Formula	Target KPI	2023	2024
1. Productivity benefit index	Revenue/number of employees at the end of the year (NT\$10,000)	>4,000	3,763	2,489
2. Transportation cost performance index	Revenue/transportation cost (NT\$)	>500	515	455
3. Packaging cost performance index	Revenue/packaging cost (NT\$)	>500	442	319
4. Bank cost performance index	Revenue/bank cost (NT\$)	>1,000	1,099	938
5. Interest cost performance index	Revenue/interest cost (NT\$)	>1,000	936	560

(VIII) For the internal control system implementation status, disclose the following matters:

1. Internal Control Declaration

Yeou Yih Steel Co., Ltd.
Internal Control System Declaration

Date: March 13, 2025

The Company has conducted a self-assessment of its internal control system in 2024 and declares the following:

- I. The Company acknowledges and understands that establishing, enforcing, and preserving the internal control system is the responsibility of the board and the managers and that the Company has already established such a system. Its purpose is to reasonably ensure the effect and efficiency of operations (including profitability, performance, and security of assets), reliability, timeliness, transparency, and compliance with relevant legal rules.
- II. The internal control system has its inherent limitations. Regardless of how well the design is perfected, an effective internal control system can only provide reasonable assurance in achieving the three objectives mentioned above. Moreover, environmental and condition changes may impact the effectiveness of the internal control system. However, the Company's internal control system has a self-monitoring mechanism. Once the defect is identified, the Company will take corrective actions.
- III. The company judges the effectiveness of the internal control system's design and enforcement according to the "Criteria for the Establishment of Internal Control System of Public Offering Companies" (hereafter referred to as "the Criteria"). The "Criteria" items used for judging the internal control system are composed of five elements according to the management control procedure: 1. control environment; 2. risk evaluation; 3. control operation; 4. information and communication; 5. monitoring. Each of the elements, in turn, contains certain audit items. Please refer to "the Criteria" for more information on the items.
- IV. The company has adopted the aforementioned internal control system to evaluate the effectiveness of the design and implementation of the internal control system.
- V. Based on the findings of the aforementioned evaluation, the Company believes that it has reasonably guaranteed the achievement of the preceding goals within the aforementioned period of internal control (Note 2) (including the monitoring of the subsidiaries) as of December 31, 2024, including the effectiveness and efficiency of operations, reliability, timeliness, and transparency of financial reporting and compliance with relevant legal rules, and that the design and implementation of the internal control system are effective.
- VI. This declaration statement shall form an integral part of the annual report and prospectus on the Company and shall be made public. Suppose any fraud, concealment and unlawful practice is discovered in the contents of the preceding information. In that case, the Company shall be liable for legal consequences under Article 20, Article 32, Article 171, and Article 174 of the Securities and Exchanges Act.
- VII. The board approved this declaration statement on March 13, 2025. Among the 9 directors present, 0 objected, and the rest agreed with the content of this statement and it is hereby declared.

Yeou Yih Steel Co., Ltd.

Chairman: Hsien-Tong Liu

President: Jui-Hsin Chang

Note 1: If significant deficiencies exist in the design and implementation of the public offering

company's internal control system during the fiscal year, an explanatory paragraph must be added after paragraph 4 of the internal control system statement. It must list and explain the major deficiencies in the self-assessment, the improvement actions taken by the Company, and the outcome before the balance sheet date.

Note 2: The date of the declaration is the "end day of the fiscal year."

2. If a CPA is entrusted with reviewing the internal control system, the CPA's review report must be disclosed: N/A.

(IX) Important resolution of shareholders' meetings and board meetings in the most recent year and as of the publication date of the annual report:

1. Shareholders meeting resolutions:

Date	Important board of directors resolutions	Implementation Status
2024/06/19	<p>1. Report items:</p> <p>1-1. 2023 Business Report.</p> <p>1-2. 2023 Audit Committee Review Report</p> <p>1-3. 2023 Employees' and Directors' Remunerations Distribution Status Report</p> <p>1-4. 2023 Earnings Distribution and Cash Dividends Status Report</p> <p>2. Recognition Matters</p> <p>2-1. Motion to recognize the Company's 2023 business report and financial statements.</p> <p>3. Election and discussion matters</p> <p>3-1. Proposal for the comprehensive reelection of the 10th-term board of directors.</p> <p>3-2. Proposal to lift the non-competition restriction on new directors and their representatives.</p>	<p>The distribution of NT\$1.5 per share was completed on May 10, 2024.</p> <p>Recognition of the 2023 financial statements.</p> <p>Election of 6 general directors and 3 independent directors, for a total of 9 seats of directors.</p> <p>Release of non-competition restriction on the three directors, Hsien-Tong Liu, Yi-Chun Liu, and Ching-Tsung Huang.</p>

2. Important board of directors resolution items:

Date	Important resolutions of board meetings	Implementation Status
2024/01/03	<p>1. Minutes of previous meetings and implementation status report.</p> <p>2. Internal audit operations and 2023 internal audit work report.</p> <p>3. Reporting on important financial businesses.</p> <p>4. Report on ethical corporate management implementation in 2023.</p> <p>5. Report on risk management operation status in 2023.</p> <p>6. Report on stakeholder communication in</p>	<p>In 2023, there were no ethical corporate management violations.</p> <p>In 2023, there were no material risk management matters.</p>

	<p>2023.</p> <p>7. Report on the implementation of cybersecurity risk management in 2023.</p> <p>8. Company greenhouse gas inventory and verification schedule plan formulation and implementation status.</p> <p>9. Other significant matters reported - Report on communication between CPAs and the Governance Unit.</p> <p>10. 2023 annual performance evaluation results and remunerations discussion proposal for the Company's managers for ratification.</p> <p>11. Discussion on 2023 year-end bonus payment evaluation.</p>	<p>In 2023, there were no cybersecurity risk matters.</p>
2024/03/12	<p>1. Minutes of previous meetings and implementation status report.</p> <p>2. Internal audit report</p> <p>3. Important financial business reports and 2023 business reports.</p> <p>4. 2023 report on the implementation of cybersecurity risk management.</p> <p>5. Company greenhouse gas inventory and verification schedule plan formulation and implementation status.</p> <p>6. Report on the performance evaluation results of the Board of Directors and functional committees for 2023.</p> <p>7. Other significant matters reported - Report on communication between CPAs and the Governance Unit.</p> <p>8. Discussion on the Company's 2023 employee and director remuneration distributions.</p> <p>9. Discussion on the Company's 2023 annual financial statements.</p>	<p>Executed according to the resolution contents, and the issuance was completed on January 30, 2024.</p> <p>Execute according to the resolution contents and submit it to the 2024 general shareholders' meeting.</p> <p>An audit report is prepared after review by the Audit Committee.</p> <p>Various announcements and declarations are handled according to the regulations and submitted to the 2024 general</p>

	<p>10. Discussion on the Company's 2023 earnings distribution.</p> <p>11. Discussion on the Company's 2023 "Internal Control System Effectiveness Assessment" and "Internal Control System Declaration".</p> <p>12. Discussion on the Company's 2024 budget.</p> <p>13. Proposal for the comprehensive reelection of the 10th board of directors.</p> <p>14. Discussion on the matters related to convening the 2024 general shareholders' meeting.</p> <p>15. Acceptance of shareholder proposal for the 2024 shareholders' meeting and director nominations.</p>	<p>shareholders' meeting. Execute according to the resolution contents, handle the various announcements and declarations according to the regulations, and submit to the 2024 general shareholders' meeting for approval. Filings and announcements made according to the resolution contents.</p> <p>Proposal for re-election at the 2024 general shareholders' meeting</p> <p>Execute according to the resolution contents, set June 19, 2024 as the meeting date, and announce and report according to the content of the resolution.</p> <p>Execute according to the resolution results and the proposal and nomination period is from April 8 to April 18, 2024.</p>
2024/05/07	<p>1. Minutes of previous meetings and implementation status report.</p> <p>2. Internal audit report</p> <p>3. Reporting on important financial businesses.</p> <p>4. 2024 Directors and Managers' Liability Insurance Report.</p> <p>5. In the 2024 general shareholders' meeting, there were no proposals or director candidate nominations from shareholders holding over 1% of the Company's shares.</p>	<p>The insurance period is from March 28, 2024 to March 28, 2025, the coverage area is the whole world (excluding the United States and Canada), and the insurance amount is US\$1 million.</p> <p>No proposals from shareholders holding over 1% of the shares.</p>

	<p>6. The Company's Q1 2024 consolidated financial statement review discussion proposal.</p> <p>7. Discussion about nominate and resolve the list of candidates for directors (including independent directors).</p> <p>8. Discussion about to Lift the Non-competition Restriction for New Directors and their Representatives</p> <p>9. Discussion about amendments to the "Rules Governing Operations in relation to Finance and Business between Affiliated Parties."</p>	<p>Filings and announcements according to relevant rules and regulations.</p> <p>Proposal to the general shareholders' meeting for election.</p> <p>Proposal to the general shareholders' meeting to lift the ban on non-competition in the general shareholders' meeting.</p> <p>Execute according to the resolution contents.</p>
2024/06/19	<p>1. Proposal for the election of the Company's 10th chairman.</p> <p>2. Discussion about appointment of the Company's 2nd-term "Audit Committee" members.</p> <p>3. Proposal to appoint members of the 6th "Salary and Compensation Committee."</p>	<p>Filings and announcements according to relevant rules and regulations.</p> <p>Filings and announcements according to relevant rules and regulations.</p> <p>Filings and announcements according to relevant rules and regulations.</p>
2024/08/09	<p>1. Minutes of previous meetings and implementation status report.</p> <p>2. Internal audit report</p> <p>3. Reporting on important financial businesses.</p> <p>4. Company greenhouse gas inventory and verification schedule plan formulation and implementation status.</p> <p>5. The Company's Q2 2024 consolidated financial statement review discussion proposal.</p> <p>6. Discussion on the Company's "Sustainable Development Committee Organization Regulations."</p> <p>7. Review and discussion on the Company's 2024 CPA fees.</p>	<p>Filings and announcements according to relevant rules and regulations.</p> <p>Execute according to the resolution contents, handle the various</p>

	<p>8. Discussion on the approval of loans from the Company's correspondent banks for 2024.</p>	<p>announcements and declarations according to the regulations.</p> <p>Execute according to the resolution contents.</p>
2025/01/16	<p>1. Minutes of previous meetings and implementation status report.</p> <p>2. Internal audit operations and 2024 internal audit work report.</p> <p>3. Reporting on important financial businesses.</p> <p>4. Report on ethical corporate management implementation in 2024.</p> <p>5. Report on risk management operation status in 2024.</p> <p>6. Report on stakeholder communication in 2024.</p> <p>7. Report on the implementation of cybersecurity risk management in 2024.</p> <p>8. Company greenhouse gas inventory and verification schedule plan formulation and implementation status.</p> <p>9. Report on the status of implementation of the IFRS Sustainability Disclosure Plan.</p> <p>10. Other significant matters reported - Communication Report between CPAs and Governance Units.</p> <p>11. Discussion on 2024 year-end bonus payment evaluation.</p>	<p>The Company conducted employee and director orientation programs during the year, and there were no breaches of integrity during the year. There were no significant risks.</p> <p>The organizing departments have been continuously implementing, and the relevant promotion results have been announced on the company website and the relevant declarations required by the competent authority completed.</p> <p>There were no material information communication security issues.</p> <p>Executed according to the resolution contents, and the issuance was completed on January 30,</p>

	<p>12. Discussion on the review of the CPA for 2024.</p> <p>13. Discussion on the amendment to the “Regulations Governing Procedures for Board of Directors Meetings”.</p> <p>14. Discussion on the amendment to the “Articles of Incorporation.”</p>	2024.
2025/03/13	<p>1. Minutes of previous meetings and implementation status report.</p> <p>2. Internal audit report</p> <p>3. Important financial business reports and 2024 business reports.</p> <p>4. Report on the performance evaluation results of the Board of Directors and functional committees for 2024.</p> <p>5. Company greenhouse gas inventory and verification schedule plan formulation and implementation status.</p> <p>6. Other significant matters reported - Report on communication between CPAs and the Governance Unit.</p> <p>7. Discussion on the Company's 2024 employee and director remuneration distributions.</p> <p>8. The Company's 2024 annual financial statements discussion proposal.</p> <p>9. Discussion on the Company's 2024 earnings distribution.</p> <p>10. Discussion on the Company's 2024 "Internal Control System Effectiveness Assessment" and "Internal Control System Declaration".</p> <p>11. The Company's 2025 budget discussion proposal.</p> <p>12. Discussion on the establishment of the "Procedures for Ethical Management and</p>	<p>Execute according to the resolution contents and submit it to the 2024 general shareholders' meeting.</p> <p>Filings and announcements according to relevant rules and regulations.</p> <p>Implemented according to the content of the resolution, and reported the implementation status to the general shareholders' meeting.</p> <p>Filings and announcements made according to the resolution contents.</p> <p>Execute according to the resolution contents.</p>

	<p>Guidelines for Conduct" of the Company.</p> <p>13. Discussion on the approval of loans from the Company's correspondent banks for 2025.</p> <p>14. Discussion on the amendment to the "Articles of Incorporation."</p> <p>15. Discussion on the matters related to convening the 2025 general shareholders' meeting.</p> <p>16. Discussion on matters related to acceptance of shareholders' proposals for the 2025 shareholders' meeting.</p>	<p>Execute according to the resolution contents.</p> <p>Execute according to the resolution contents.</p> <p>Submitted to the general shareholders' meeting for discussion.</p> <p>Filings and announcements made according to the resolution contents.</p> <p>Implemented according to the resolution contents, and the proposal period is from April 11 to April 21, 2025.</p>
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(X) In the most recent year and as of the printing date of the annual report, if directors or supervisors have different opinions on important resolutions passed by the board meeting with or written statements, state the main contents: None.

IV. CPA fees

(I) The amount of public audit fees and non-audit public fees paid to the CPAs, their affiliated firms and affiliated companies, and the non-audit service contents. Any of the following circumstances must be disclosed:

1. For CPA firm replacement, if the audit fee of the year is lower than the audit fee of the previous year, state the audit fee amount before and after replacement and the cause of replacement: There was no SCP replacement.
2. If the audit fee is reduced by over 10% from that of the previous year, disclose the amount, proportion, and reasons: None.

CPA fees

Unit: NT\$ thousand

Name of CPA Firm	CPA name:	CPA Audit Period	Audit fees	Non-audit fees	Total	Remarks
Crowe Horwath (TW) CPAs	Shu-Man Tsai	2024/01/01-2024/12/31	1,300	360	1,660	
	Kuo-Ming Lee	2024/01/01-2024/12/31				

Note 1: Specify the non-audit services: non-audit fees are tax compliance audit fees, business registration fees, and payroll information checklist and English version report for full-time employees in supervisory positions.

Note 2: If the Company changed its CPA or accounting firm during the year, list the respective audit period and state the reasons for the change in the notes, and disclose the information of audit and non-audit fees paid in order. Notes describing the content of services for non-audit public fees must be provided.

V. Replacement of CPA: None.

(I) Regarding former CPA

Change date	N/A		
Describe the reason for the replacement	Not applicable		
Explain why the appointee or CPA terminated or refuses to accept the appointment	Contract party Status	Certified Public Accountant (CPA)	Appointers
	Voluntary termination of appointment		
	No longer accept (continue) appointment		
Review report opinions other than the unqualified opinions issued within the latest 2 years and why they exist:	Not applicable		
Is there any disagreement with the issuer?	Yes	Accounting principles or practices	
		Disclosure of financial reports	
		Scope or steps of inspection	
		Other	
	N/A		
	Description		

Other disclosures (items in subparagraph 1-4 to subparagraph 1-7, paragraph 6, Article 10 of the Regulations which must be disclosed).	
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Note: Other disclosures are as follows (Items 4 through 7 of Item 1, Paragraph 6, Article 10 of the Guidelines Governing the Preparation of Annual Reports should be disclosed):

1. The date and reason for CPA change. Explain whether the CPA voluntarily terminated the appointment or no longer accepted the appointment, or the issuer voluntarily terminated or no longer continued the appointment.
2. If the previous CPA has issued an audit report other than an unqualified opinion within the last two years, state the opinion and reason.
3. Is there any disagreement between the Company and the former CPA on accounting principles or practices, financial report disclosure, inspection scope, or procedures? If there are disagreements, the nature of each disagreement, the Company's handling method (including whether the former CPA is authorized to fully answer the successor CPA's inquiries about the preceding disagreements), and the final handling result must be explained in detail.
4. Whether the former CPA has informed the Company that the lack of a sound system of internal control makes its financial statements unreliable: not applicable.
5. Whether the former CPA who has notified the Company that he or she cannot rely on the Company's statements or does not wish to be associated with the Company's financial statements: not applicable.
6. Whether a former CPA has informed the Company that an expanded scope of the audit is required, or information indicates that an expanded scope of audit might impair the credibility of previously issued or to be issued financial statements, but the former CPA has not expanded the scope of audit due to a change in attesting CPA or other reasons: not applicable.
7. Whether a former CPA has informed the Company that the reliability of a previously issued or to be issued financial report may be impaired based on information collected, but the former CPA has not addressed the issue due to a change in accountants or other reasons: not applicable.

(II) Regarding successor CPA

CPA firm name	Not applicable
CPA name:	Not applicable
Date of appointment	Not applicable
Before the appointment, the accounting treatment methods for specific transactions or accounting principles as well as consultation matters and results for financial reports that may be issued	Not applicable
Written opinion by the successor CPA on the dissenting opinion of the former CPA	Not applicable

(III) The former CPA's response letter according to Items 1 & 2-3 of Paragraph 6, Article 10 of this provision (as follows): N/A.

1. Subparagraph 1, Paragraph 6, Article 10:

- (1) The date and reason for CPA change. Explain whether the CPA voluntarily terminated the appointment or no longer accepted the appointment, or the issuer voluntarily terminated or no longer continued the appointment.
- (2) If the previous CPA has issued an audit report other than an unqualified opinion within the last two years, state the opinion and reason.
- (3) Is there any disagreement between the Company and the former CPA on accounting principles or practices, financial report disclosure, inspection scope, or steps? If there are disagreements, the nature of each disagreement, the Company's handling method (including whether the former CPA is authorized to fully answer the successor CPA's inquiries about the preceding disagreements), and the final handling result must be explained in detail.
- (4) Has a former CPA informed the Company that it lacked a sound internal control system, making its financial reports unreliable?
- (5) Has a former CPA informed the Company that the CPA cannot rely on the Company's statement or is unwilling to have any relationship with the Company's financial report?
- (6) Has a former CPA notified the Company that the scope of the audit must be expanded, or the information shows that the expansion of the scope of the audit may damage the credibility of the financial report issued or to be issued, but the former CPA did not expand the audit due to the change of CPA or other reasons?
- (7) Has a former CPA notified the Company that the credibility of the financial report issued or to be issued might be damaged based on the collected information, but due to the change of CPA or other reasons, the former CPA did not deal with the matter?

2. Item 2-3 of Article 10: The Company shall consult and obtain the written opinions of the successor CPA on matters on which it disagrees with the predecessor CPA and disclose them.

VI. The Company's chairman, president, or manager in charge of finance or accounting who held any position at the accounting firm of the certifying CPAs or at an affiliated enterprise of the accounting firm in the most recent year. The affiliated enterprises of the accounting firm of the certifying CPA refer to those which hold more than 50% of the shares of the accounting firm of the certifying CPA or more than half of the seats of its board of directors, or the companies or institutions listed as affiliates in the external announcement or publication of the CPA firm: Not applicable.

VII. Shares transferred or pledged by directors, supervisors, managers, and shareholders with more than 10% ownership interest in the most recent year, and up to the publication date of the annual report:

(I) Changes in equity of directors, supervisors, managers, and major shareholders holding more than 10% of the shares

Title	Name	2024		As of April 20 of the current year	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged	Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged
Chairman	Hong Yu Industrial Co., Ltd.	0	0	0	0
Representative of the chairman	Hong Yu Industrial Co., Ltd. Representative: Hsien-Tong Liu	0	0	0	0
Director	Yusheng Investment & Development Co., Ltd.	0	0	0	0
Representative of the director	Yusheng Investment & Development Co., Ltd. Representative: Ching-Tsung Huang	0	0	0	0
Director	Hsien-Rong Liu	22	0	0	0
Director	Hung-Sheng Liu	0	0	0	0
Director	Han-Chun Hsiao	0	0	0	0
Director	Chien-Hua Huang	52,000	0	10,000	0
Independent director	Chih-Hsueh Lin	0	0	0	0
Independent director	Mei-Yao Chang	0	0	0	0
President	Jui-Hsin Chang	0	0	0	0
Vice President	Chien-Liang Liu	164,000	0	0	0
Assistant Vice President of the Finance Department	Tsun-Chih Chen	0	0	0	0
Assistant Vice President of the Chairman's Office	Li-Wen Chen	0	0	0	0
Assistant Vice President of the Business Department	Yu-Yi Chiu	0	0	0	0
Assistant Vice President of the Technology and Production Department	Chien-Hsing Lee	0	0	0	0
Manager of the Management Department	Feng-Ming Hsu	0	0	0	0

Assistant Manager of Audit Office	Chi-Lan Chou	0	0	0	0
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Note 1: Shareholders holding over 10% of the Company's total shares shall be marked as major shareholders and listed separately.

Note 2: For an affiliate that is a counterparty of equity transfer or equity pledge, fill in the table below.

Note 3: Feng-Ming Hsu, Manager of the Management Department, resigned on February 29, 2024.

(II) Equity transfer information: The counterparty of the equity transfer is not a related party, so there is no information for this item.

Name (Note 1)	Reason for equity transfer (Note 2)	Transaction date	Counterparty	The relationship between the transaction counterparty and the Company, directors, supervisors, and shareholders holding over 10% of the Company's shares	Shares	Transaction price
Hong Yu Industrial Co., Ltd.	Not applicable					
Hong Yu Industrial Co., Ltd. Representative: Hsien-Tong Liu	Not applicable					
Yusheng Investment & Development Co., Ltd.	Not applicable					
Yusheng Investment & Development Co., Ltd. Representative: Ching-Tsung Huang	Not applicable					
Hsien-Rong Liu	Not applicable					
Hung-Sheng Liu	Not applicable					
Han-Chun Hsiao	Not applicable					
Chih-Hsueh Lin	Not applicable					
Mei-Yao Chang	Not applicable					
Chien-Hua Huang	Not applicable					
Jui-Hsin Chang	Not applicable					
Chien-Liang Liu	Not applicable					
Tsun-Chih Chen	Not applicable					
Li-Wen Chen	Not applicable					
Yu-Yi Chiu	Not applicable					
Chien-Hsing Lee	Not applicable					
Feng-Ming Hsu	Not applicable					
Chi-Lan Chou	Not applicable					

Note 1: Fill in the names of directors, supervisors, managers, and shareholders holding over 10% of the Company's shares.

Note 2: Series of acquisitions or disposals.

(III) Equity pledge information: None.

Name (Note 1)	Reasons for pledge changes (Note 2)	Change date	Counterparty	The relationship between the transaction counterparty and the Company, directors, supervisors, and shareholders holding over 10% of the Company's shares	Shares	Shareholding ratio	Pledge ratio	Pledged loan (redemption) amount
Hong Yu Industrial Co., Ltd.	Not applicable							
Hong Yu Industrial Co., Ltd. representative: Hsien-Tong Liu	Not applicable							
Yusheng Investment & Development Co., Ltd.	Not applicable							
Yusheng Investment & Development Co., Ltd. Representative: Ching-Tsung Huang	Not applicable							
Hsien-Rong Liu	Not applicable							
Hung-Sheng Liu	Not applicable							
Han-Chun Hsiao	Not applicable							
Chih-Hsueh Lin	Not applicable							
Mei-Yao Chang	Not applicable							
Chien-Hua Huang	Not applicable							
Jui-Hsin Chang	Not applicable							
Chien-Liang Liu	Not applicable							
Tsun-Chih Chen	Not applicable							
Li-Wen Chen	Not applicable							
Yu-Yi Chiu	Not applicable							
Chien-Hsing Lee	Not applicable							
Feng-Ming Hsu	Not applicable							
Chi-Lan Chou	Not applicable							

Note 1: Fill in the names of directors, supervisors, managers, and shareholders holding over 10% of the Company's shares.

Note 2: Fill in the pledge or redemption.

VIII. Information about top 10 shareholders who are related parties, spouses or relatives within the second degree of kinship:

Information on the relationship among the top 10 shareholding ratio shareholders

Name (Note 1)	Personal Shareholding		Shares held by spouse or underage children		Total shares held under the name of others		Title and name of shareholders holding over 10% of the shares who are related to each other or are spouses or second-degree relatives. (Note 3)		Remarks
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Name (or title)	Relation	
Yusheng Investment & Development Co., Ltd.	5,409,129	6.00%	0	0.00%	0	0.00%	N/A		
Yusheng Investment & Development Co., Ltd. Representative: I-Shou Lin	0	0.00%	0	0.00%	0	0.00%	N/A		
Hsien-Tong Liu	4,000,000	4.43%	0	0.00%	0	0.00%	Hsien-Rong Liu Hsin-Ying Lin Chun-Nan Chen	Brothers Spouse Son-in-law	Note 4
Sym Wang Iron Steel Co., Ltd.	3,379,000	3.75%	0	0.00%	0	0.00%	N/A		Note 4
Sym Wang Iron Steel Co., Ltd. Representative: Hsin-Ying Lin	0	0.00%	4,000,000	4.43%	0	0.00%	Hsien-Tong Liu Chun-Nan Chen	Spouse Son-in-law	Note 4
Sumi Steel Co., Ltd.	3,000,000	3.33%	0	0.00%	0	0.00%	N/A		
Sumi Steel Co., Ltd. Representative: Chun-Nan Chen	1,037,000	1.15%	0	0.00%	0	0.00%	Hsien-Tong Liu Hsin-Ying Lin	Son-in-law Son-in-law	Note 4
Chien-Cheng Huang	2,690,000	2.98%	0	0.00%	0	0.00%	N/A		
Chien-Hua Huang	2,242,000	2.49%	0	0.00%	0	0.00%	N/A		
Yifu Investment Co., Ltd.	2,000,000	2.22%	0	0.00%	0	0.00%	N/A		
Shou-Qian Wang	1,882,500	2.09%	0	0.00%	0	0.00%	N/A		
Hsien-Rong Liu	1,802,000	2.00%	40,000	0.04%	0	0.00%	Hsien-Tong	Brothers	Note 4

							Liu		
Yueh-Mei Su	1,800,034	2.00%	25,000	0.03%	0	0.00%	N/A		

Note 1: All the top 10 shareholders must be listed. For a juridical person shareholder, list the name of the person shareholder and the representative separately.

Note 2: The calculation of the shareholding ratio refers to the calculation of the shareholding ratio in the name of oneself, spouse, minor children, or in the name of others.

Note 3: The shareholders listed above include juridical persons and natural persons. The relationship between them shall be disclosed according to the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Note 4: Chun-Nan Chen is the chairman of Sumi Steel Co., Ltd., and he is the son-in-law of Hsien-Tong Liu. Hsin-Ying Lin is the chairman of Sym Wang Iron Steel Co., Ltd., and she is the spouse of Hsien-Tong Liu. Hsien-Tong Liu and Hsien-Rong Liu are brothers.

IX. Number of shares held by the company, its directors, managers, and enterprises directly or indirectly controlled by the company in the same invested enterprise, and the aggregate shareholding ratio:

Comprehensive Shareholding Ratio

Unit: Share; %

Investee business (Note)	Investment by the Company		Investment by the directors, supervisors, and managers of an enterprise they directly or indirectly controlled		Combined investment	
	Shares	Percentage of shareholding	Shares	Percentage of shareholding	Shares	Percentage of shareholding
Yeou Yih International Co., Ltd.	2,000,000	100%	0	0%	2,000,000	100%

Note: This is an investment made by the Company using the equity method.

Three. Capital Raising Status

I. Capital and shares

(I) Source of capital

Unit: Share; NTD

Year Month	Issuing price (NTD)	Approved share capital		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Source of Equity	Those who use assets other than cash to offset the share price	Others
1996/01	10	8,008,000	80,080,000	8,008,000	80,080,000	Capital increase in cash (Note 6) NT\$80,080,000	N/A	N/A
1998/02	10	19,980,000	199,800,000	19,980,000	199,800,000	N/A	Capital increase from creditor's right(Note 7) NT\$119,720,000	N/A
2000/01	10	31,200,000	312,000,000	31,200,000	312,000,000	Capital increase in cash (Note 8) NT\$112,200,000	N/A	N/A
2000/09	10	34,320,000	343,200,000	34,320,000	343,200,000	Capital increase from earnings (Note 9) NT\$31,200,000	N/A	N/A
2004/09	10	39,468,000	394,680,000	39,468,000	394,680,000	Capital increase from earnings (Note 10) NT\$51,480,000	N/A	N/A
2005/12	10	60,000,000	600,000,000	50,124,360	501,243,600	Capital increase from earnings (Note 11) NT\$106,563,600	N/A	N/A
2006/07	10	60,000,000	600,000,000	56,400,000	564,000,000	Capital increase in cash (Note 12) NT\$62,756,400	N/A	N/A
2007/09	10	100,000,000	10,000,000,000	73,320,000	733,200,000	Capital increase in cash (Note 13) NT\$169,200,000	N/A	N/A
2010/09	10	100,000,000	10,000,000,000	78,452,400	784,524,000	Capital increase from earnings (Note 14) NT\$51,324,000	N/A	N/A
2011/08	10	100,000,000	10,000,000,000	90,220,260	902,202,600	Capital increase from earnings (Note 15) NT\$117,678,600	N/A	N/A
2020/07	10	120,000,000	12,000,000,000	90,220,260	902,202,600	Share capital before change	N/A	N/A

Note 1: The annual data shall be updated as of the publication date of this annual report.

Note 2: The effective (approval) date together with the doc. No. shall be added for any capital increase.

Note 3: Those that issue the stock below the par value shall indicate so in a clear manner.

Note 4: If currency creditor's rights, technology, or goodwill are used to offset stock funds, the type and amount of offset must be specified.

Note 5: Those that have private placement shall indicate so in a clear manner.

Note 6: The Company's establishment registration approval date is January 29, 1996, and the number for the approval document letter is (85) Jian-San-Ding No. 116166 issued by the Central Region Office, Ministry of Economic Affairs.

Note 7: The effective (approval) date and the letter reference number for this capital increase are MOEA-Jing-(87)-Shang No. 101384 dated February 3, 1998.

Note 8: The effective (approval) date and the letter reference number for this capital increase are SFI-(88)-Tai-Cai-Zheng-(I) No. 89015 dated October 16, 1999.

Note 9: The effective (approval) date and the letter document number for this capital increase are letter SFI(2000)TCZ(I) No. 59774 dated July 11, 2000.

Note 10: The effective (approval) date and the letter reference number for this capital increase are FSC-Jin-Guan-Zheng-(I) No. 0930131208 dated July 14, 2004.

Note 11: The effective (approval) date and the letter document number for this capital increase are FSCSFIEZ No. 0940152004 dated November 11, 2005.

Note 12: The effective (approval) date and the letter document number for this capital increase are FSCSFIEZ No. 0950122486 dated June 5, 2006.

Note 13: The effective (approval) date and the letter document number for this capital increase are letter FSCSFIEZ TCZ(I) No. 0960029471 dated June 22, 2007.

Note 14: The effective (approval) date and the letter reference number for this capital increase are FSC-Jin-Guan-

Zheng-Fa No. 0990035922 dated July 12, 2010.

Note 15: The effective (approval) date and the letter document number for this capital increase are FSCSFIFZ No. 1000028582 dated June 22, 2011.

Note 16: The effective (approval) date and the letter reference number for this amendment to Articles of Incorporation are Jin-Shou-Shang No. 10901110210 dated July 2, 2020.

April 21, 2024

Type of share	Approved share capital			Remarks
	Outstanding share	Unissued share	Total	
Common share	90,220,260	29,779,740	120,000,000	N/A

Note: Our Company's shares are listed on the GTSM.

Information about the blanket declaration system

Types of marketable securities	Scheduled issue amount		Issued amount		Purpose and expected benefits of issued portion	Unissued portion scheduled for issuance	Remarks
	Total number of shares	Approved amount	Shares	Price			
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: N/A

(II) Name list for the main shareholders

Shareholders with a shareholding ratio of 5% or more of the top 10 shareholders

April 20, 2025

Name of major shareholders\shares	Shares held	Percentage of shareholding
Yusheng Investment & Development Co., Ltd. Company	5,409,129	6.00%
Hsien-Tong Liu	4,000,000	4.43%
Sym Wang Iron Steel Co., Ltd.	3,379,000	3.75%
Sumi Steel Co., Ltd.	3,000,000	3.33%
Chien-Cheng Huang	2,690,000	2.98%
Chien-Hua Huang	2,242,000	2.49%
Yifu Investment Co., Ltd.	2,000,000	2.22%
Shou-Qian Wang	1,882,500	2.09%
Hsien-Rong Liu	1,802,000	2.00%
Yueh-Mei Su	1,800,034	2.00%

(III) The Company's dividend policy and execution status

1. The dividend policy stipulated by the Company's "Articles of Incorporation" is as follows:

Article 26: If the Company makes a profit for the year, it shall allocate 2% for the employees' remuneration and no more than 3% for the directors' and supervisors' remuneration. The allotted amount shall be recognized as the current year's expenses. However, where the Company still has an accumulated loss, 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.

Suppose the Company intends to distribute all or part of the dividends, bonuses, capital reserve, or statutory surplus reserve in cash. In that case, the proposal shall be authorized by a board of directors meeting with over 2/3 of the board members attending and approved by over half of those present at the meeting or reporting the case to a 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 by the shareholders meeting based on future needs and profit status.

2. On March 13, 2025, the Board of Directors resolved the distribution of dividends for 2024: The following table shows the distribution of earnings for 2024.

Yeou Yih Steel Co., Ltd.
Earnings distribution schedule
2024

		Unit: NTD
Item	Amount	
Undistributed earnings at the beginning of the period	71,814,730	
Plus: Net profit after tax for 2024	61,090,594	
Disposal of equity instruments measured at FVTOCI	0	
Other comprehensive income (remeasured amount from benefit plan defined in 2024)	1,729,303	
Reversal of special surplus reserve	(8,740,000)	
Provision of 10% of legal reserve	(6,281,990)	
Earnings available for distribution	119,612,637	
Allocation Items:		
Shareholder cash dividends (NT\$0.5)	(45,110,130)	
Undistributed earnings at the end of the period	74,502,507	
Note:		
Per share outstanding: 90,220,260 shares.		

Chairman: Manager: Accounting supervisor:
Hsien-Tong Liu Jui-Hsin Chang Tsun-Chih Chen

3. If the dividend policy is expected to change materially, please specify: Not applicable.

(IV) The effects that the stock grant proposed by the shareholders' meeting have on the Company's business performance and earnings per share:

Item	Year	2025 (Estimated)
Initial paid-in capital		902,202,600
Dividends distribution for the year (Note 1)	Cash dividend per share (NT\$) The number of rights issues per share from capital increase from earnings (shares)	0.5 0
	The number of rights issues per share from capital increase from capital surplus (shares)	0
Changes in	Operating income	N/A (Note 2)

business performance	Operating profit increase (decrease) ratio compared with the same period of the previous year	
	After-tax profit	
	Net profit after tax increase (decrease) ratio compared with the same period of the previous year	
	Earnings per Share	
	Earnings per share increase (decrease) ratio compared with the same period of the previous year	
	The annual average return on investment (reciprocal of annual average price-to-earnings ratio)	
Proposed earnings per share and a price-to-earnings ratio	If the capital increase from earnings is all paid in cash dividends	Proposed earnings per share
		Proposed average annual rate of return on investment
	If the capital surplus is not been transferred to the capital increase	Proposed earnings per share
		Proposed average annual rate of return on investment
	If capital surplus is not processed and the capital increase from earnings is all paid in cash dividends	Proposed earnings per share
		Proposed average annual rate of return on investment

Note 1: The proposal to distribute cash dividends to shareholders for 2024 was approved by the board of directors on March 13, 2025.

Note 2: The complete financial forecast for 2025 has not been disclosed. According to the provisions provided by letter Tai-Cai-Zheng-(I) No. 00371 dated February 1, 2000, there is no need to disclose the forecast information for 2025.

(V) Remuneration for employees, directors, and supervisors:

1. The number or scope of remuneration for employees, directors, and supervisors:

If the Company makes a profit for the year, it shall allocate 2% for the employee's remuneration and no more than 3% for the supervisor's remuneration. The allotted amount shall be recognized as the current year's expenses. However, where the Company still has an accumulated loss, 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.

2. Account handling when the basis for the assessment of the employee, director, and supervisor remuneration amount; the basis of calculation for the number of shares distributed as employee remuneration; and the actual estimation amount for this period are inconsistent:

In accordance with the Company's Articles of Incorporation, the estimated amount of employee compensation and remuneration to directors and supervisors for 2023 is NT\$2,968,175. However, if the actual amount of allotment resolved by the shareholders' meeting differs from the estimated amount, it will be recorded as profit or loss for 2024.

3. The Board of Directors' resolution on the distribution of remuneration:

- (1) The amount of employees', directors', and supervisors' remuneration distributed in cash or stock. If the annual estimated amount is different from the recognized amount, the difference, cause, and handling status must be disclosed: No difference.
- (2) The ratio accounted for by the employee remuneration amount distributed via stock allocation in the after-tax net profit of the latest distinctive or individual financial report and the total employee remuneration: No employee stock compensation allocation.

4. The actual remuneration distribution for employees, directors, and supervisors in the previous year (including the number of shares distributed, amount, and stock price); and the number of discrepancies, reasons, and handling status must be disclosed if different from the remuneration recognized for employees, directors, and supervisors:

The Company's 2024 employee bonuses and remuneration for directors and supervisors are distributed according to the proposals approved by the original board of directors. There is no difference, as shown in the table below.

Unit: NTD

Item	Amount
Employee cash remuneration amount	1,599,461
Director and supervisor remuneration amount	1,599,461

(VI) Company shares buyback status: None.

II. Corporate bond processing (including corporate bonds that have not been repaid and are still under issuance, and the disclosure of relevant matters and the impact on shareholders' equity in accordance with Article 248 of the Company Act. Private placement corporate bonds should be clearly marked): None.

III. Preferred share processing (including outstanding and in-process preferred shares; also disclose the relevant issuance conditions, the impact on shareholders' equity and the matters specified in

Article 157 of the Company Act. Private placement preferred shares should be clearly marked): None.

IV. Global depository receipt processing (including those that have been issued but not yet fully redeemed and those that are still being processed); also disclose the issue date, total issued amount, rights and obligations of the holders of the overseas depository receipts. Private placement overseas depository receipts should be clearly marked): None.

V. Employee stock warrant processing: None.

- (I) For employ stock warrants that have not fully met the vested conditions, please disclose the handling status and impact on shareholders' rights and interests as of the publication date of the annual report. Private placement employ stock warrants should be clearly marked): None.
- (II) Names of managers and top 10 employees who have acquired employ stock warrants up to the date of publication of the annual report: None.

VI. Disclose the following for the processing of new shares with restricted employee rights:

- (I) For new shares with restricted employee rights that have not fully met the vested conditions, please disclose the handling status and impact on shareholders' rights and interests as of the publication date of the annual report: None.
- (II) Names of managers and top 10 employees who have acquired new shares with restricted employee rights up to the date of publication of the annual report: None.

VII. Processing of new shares issued for mergers or acquisitions or share assignments: None.

- (I) If the Company has completed the issuance of new shares for mergers or acquisitions or share assignments in the most recent year and up to the date of publication of the annual report, the following matters shall be disclosed:
 1. For stocks listed on the TWSE (TWSE) or the Taipei Exchange (TPEx) (hereinafter referred to as TWSE listed companies) or for companies whose stocks are traded on the premises of securities firms (hereinafter referred to as TPEx listed companies), disclose the lead underwriter's evaluation opinion on the merger or acquisition, or the assignment of shares to other companies.
 2. In addition to the public and private sectors as mentioned above, disclose the implementation status of the latest quarter. If the progress or effectiveness of the implementation has not reached the target set forth, state the impact on shareholders' equity and the improvement plan.
- (II) Names of managers and top 10 employees who have acquired new shares with restricted employee rights up to the date of publication of the annual report: None.

VIII. Progress on Planned Use of Capital: The Company has completed all previous issuances of securities as of the quarter before the publication date of the annual report, and the plan's benefits have been shown.

Four. Operations Overview

I. Business contents

(I) Scope of Business

1. Main business operation contents:

- (1) Stainless steel products heat treatment, leveling, cutting, and pickling processing operations.
- (2) processing and trading of various types of steel.
- (3) Machinery and hardware trading businesses.
- (4) The import and export trade businesses for products listed above.
- (5) All business items that are not prohibited or restricted by law, except those that are subject to special approval.

2. Main products and their business ratios:

The Company's current main product is stainless steel plate, with a business ratio of 100%.

3. The Company's current product and service items:

The Company's current products and services are stainless steel plates.

4. New products planned to be developed: None.

(II) Industry overview:

1. The Industry's Current Status and Development

The iron and steel industry are capital- and technology-intensive, with deep and extensive industrial correlations. The metal manufacturing industry, machinery industry, transportation industry, construction industry, and electrical equipment industry all rely on steel as the basic material. Its development is closely related to the prosperity and decline of the overall economy, and it is a basic industry for national construction. Among them, stainless steel is a more advanced steel in the iron and steel industry, and the price is about 4-5 times that of carbon steel. Since stainless steel can replace carbon steel, it is used more widely in countries with more advanced industrialization levels. Therefore, the level of stainless steel production and consumption in a country can reflect the country's industrial development and national living standards.

Stainless steel has anti-rust and corrosion resistance characteristics mainly because it contains chromium. When chromium is added to steel, it forms chromium oxide on the surface, preventing oxygen from entering the structure. Moreover, chromium and carbon can produce a stable structure and decrease corrosion, and the addition of nickel can strengthen the qualities of the chromium structure.

Among the stainless steel products, the 300 series have the best balance regarding hardness, corrosion resistance, and processing suitability. So it is the most widely used type of stainless steel. It is called the "standard" stainless steel product and accounts for over 70% of the overall stainless steel products (according to the 2003 steel and metals market research statistics). In the 300 series, the 304 series contains 18% chromium and 8% nickel, which is the most common type. The 316 series adds 3% molybdenum and 14% nickel, which can resist chloride ion corrosion. The 316 series is better than the 304 series and is the second most common steel product. The 200 series add a higher proportion of manganese, and the nickel content is about half that of the 300 series. The 400 series are mostly low-nickel or nickel-free, and nitrogen and antimony elements are added, often making them magnetic (the 300 series is non-magnetic).

Before China Steel put stainless steel hot-rolled steel products into production in 1994, the only domestic company that produced steel billets was Tang Eng Iron Works. Co., Ltd. Foreign companies or China Steel was commissioned to provide rolling services to supply

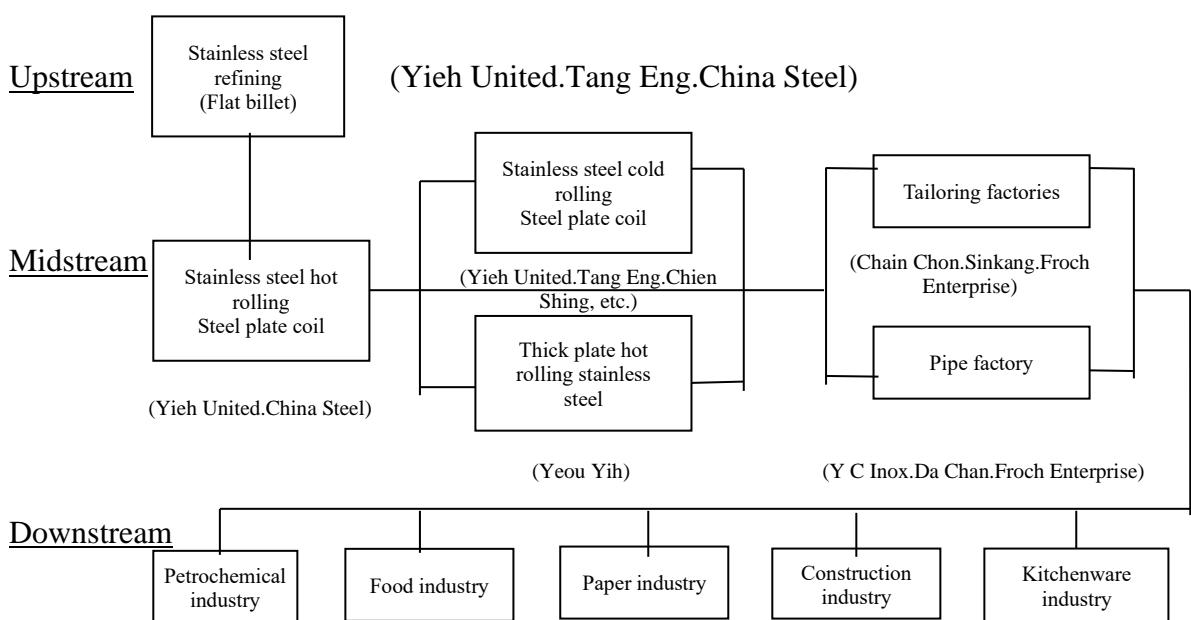
the market demand for cold rolling materials and some pickled steel coils. In 1995, Yieh United Steel Corp. was put into production, and the domestic stainless steel hot-rolled steel products no longer needed to rely on imports. In 2003, Walsin Lihwa added flat billet steelmaking equipment. It began mass production and sales of stainless steel flat billets and hot-rolled steel coils and entered into the field of flat products. Since 2000, the self-sufficiency rate of domestic stainless steel hot-rolled steel products has exceeded 100%. Since 2007, the self-sufficiency rate has declined to only 47.73% in 2014. The main reason was the large volume of imports by the industry that has reduced domestic production. In 2014, the market import volume share was as high as 67.08%.

2. The associativity of the Upstream, Midstream, and Downstream

There are 2 domestic stainless steel plate hot-rolled raw material providers: Yieh United Steel and China Steel. The width of the raw materials from Yieh United Steel is limited to 4 and 5 feet. Since the 8-foot-wide thick plate raw materials provided by China Steel's steel plate factory in the past are no longer available, Yieh United Steel is currently the only domestic upstream supplier of stainless steel thick plate hot-rolled raw materials.

The stainless steel plate downstream industry includes the cutting and pipe-making industries. processed steel products are primarily used in the petrochemical industry, and the others include dyeing and finishing machinery, food machinery, and public works.

The relationship between the upstream, midstream, and downstream of this industry is listed as follows:



3. Various product development trends and competition status

A. Stainless steel application popularization

Stainless steel has exceptional corrosion resistance, significantly increasing service life and eliminating the need for anti-corrosion measures like electroplating, painting, and other surface treatments. The waste generated during treatment is reduced, reducing pollution and environmental damage. Stainless steel products are widely used in various fields due to environmental protection awareness improvement. According to the ITIS industry review column's future development trends and stainless steel product trends, high-temperature waste incineration devices, liquefied natural gas power generation, high-efficiency power generation devices using coal, upper and lower water pipes, and water treatment devices will all use more stainless steel materials with excellent heat

resistance and high-temperature corrosion resistance to reducing carbon dioxide production. Furthermore, because stainless steel has a longer service life, more stainless steel, and stainless steel bars will be adopted for bridges, highways, tunnels, and other infrastructure in Europe, America, Japan, and other nations in the future. The public gradually accepts the price of materials. In general, the popularization of stainless steel product applications will become the industry's development trend.

B. Stainless steel products are developing towards low-nickel steel

About 76% of global stainless steel production belongs to the nickel-chromium series (300 series). Nickel and chromium account for about 65% and 70% of the cost of stainless steel raw materials, respectively. The price of nickel has periodic fluctuations, while the fluctuation of chromium price is relatively stable. Therefore, the price fluctuation of nickel-chromium stainless steel is mainly affected by the fluctuation of nickel price.

Besides a relatively lower corrosion resistance, the 200 series stainless steel is not much different from 300 series products on the surface. The demand for 200 series stainless steel with a nickel content of 1.0%~4.0% has increased daily in areas where corrosion resistance requirements are not very high. Since the nickel content of 200 series stainless steel is only about 15%~50% of that of 304 series, it is very helpful for the industry to reduce costs. The 200-series stainless steel is highly accepted in China since the Chinese market is more sensitive to prices. These conditions have driven the growth of 200 series stainless steel production, and the development of low-nickel stainless steel products has become a future trend.

C. Facing the pressure of global competition

The stainless steel industry is capital- and technology-intensive and has a wide range of product applications. It is closely related to the self-development ability of the defense industry because it is a high-grade steel product. Therefore, the world's advanced countries see the stainless steel industry as critical and defend and promote it, which increases the competitiveness of the stainless steel industry. There has been a clear internationalization and globalization trend in recent years under waves of global mergers and acquisitions. Take Europe as an example. The metal center ITIS project's stainless steel plate industry prospect analysis indicated that the number of major stainless steel factories in Europe has reduced from 25 in the past to 6 in 1999. This has resulted in the gradual expansion of the stainless steel industry's company structure as well as production capacity.

Since stainless steel has high international circulation, stainless steel thick plate products have a high degree of maturity and low differentiation. Under the WTO system, all member countries have eliminated domestic tariffs and non-tariff barriers. That means domestic and foreign markets must face competition, and this global competition will become the future trend.

(III) Technology and R&D overview:

1. R&D expenses invested in the last year and as of the publication date of this annual report:
The Company currently has no new product or technology R&D plans, so R&D investment is not applicable.

The Company's products are thick stainless steel plates. Over the years, human resources have been invested in R&D for product process setting and quality improvement. The salaries of personnel involved in process improvement are as follows:

Unit: NT\$ thousand

Item	2024	Q1 2025
Fee amount	19,950	1,206

2. Technologies or products successfully developed in the most recent year and as of the publication date of the annual report:

- (1) Continue to optimize the process conditions of solution heat treatment.
- (2) The solid melting furnace applies the regenerative burner's energy-saving operation technology.
- (3) Continue to optimize the surface quality of stainless steel plates and improve the process technology.
- (4) Continue to meet the requirements of the Japanese Industrial Standard JIS G4304 for stainless steel plates.
- (5) Development of acid cleaning technology for nickel-free 430 stainless steel medium and heavy plates.
- (6) Technology to improve the heat treatment homogenization capability of stainless steel medium and heavy plates.
- (7) Continued certification by DNV of marine steel production technology.

3. Estimated R&D expenses for this year:

This year, the Company expects to participate in the carbon emission reduction counseling program of the Ministry of Economic Affairs. After adding the salaries and wages of the regular process improvement staff, the estimated R&D expense for 2025 is NT\$7,456 thousand.

(IV) Long- and short-term business development plans:

Item	Short-term development plans	Long-term development plans
Production policy	<ol style="list-style-type: none"> 1. Strengthen process control and improve product quality. 2. Strengthen scheduling control and shorten customer delivery time. 3. Strengthen the connection with manufacturers and stabilize the supply source. 	<ol style="list-style-type: none"> 1. Continuous process improvement, reduce production costs. 2. Timely expand production capacity depending on the market scale. 3. Set up overseas factories when appropriate to supply goods nearby.
Marketing strategies	<ol style="list-style-type: none"> 1. Strengthen client connection and stabilize client relationship. 2. Strengthen post-sales services and enhance client confidence. 3. Establish overseas bases to serve clients nearby. 	<ol style="list-style-type: none"> 1. Actively develop new clients and expand operation scales. 2. Integrate the office automation system to provide faster and more high-quality services. 3. Continue to train sales personnel in marketing and market observation skills and steadily expand the market.
Financial management	<ol style="list-style-type: none"> 1. Strengthen capital management and stabilize the financial structure. 2. Strengthen bank connections and reduce capital costs. 3. Implement the internal control 	<ol style="list-style-type: none"> 1. Use the capital market to establish financing channels. 2. Strengthen the internal control system and improve the management system. 3. The information is fully disclosed

	system to reduce business risks.	to enhance capital market recognition. 4. Stabilize dividend policy and build investor confidence.
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II. Marketing, production and sales status

(I) Market analysis

1. Sales region for main products:

In 2024, the Company's domestic sales accounted for 60.34%, and export sales accounted for 39.66% (Asia region 28.43%, Europe 2.09%, and other regions 9.14%).

2. Market share:

In the past, most of Taiwan's stainless steel plates were imported. After Yieh United Steel Corp.'s expansion, it can provide the Company with sufficient source materials. With competitive quality and price, we have gradually replaced imported products and become the largest domestic stainless steel thick plate manufacturer. According to domestic customs import and export statistics, the thickness of stainless steel plates is mainly divided into two categories: 4.75-10mm and above 10mm. For our Company's products, 10mm and above account for about 80%. So only the supply and demand analysis for stainless steel plates above 10mm (excluding steel coil) is shown in the table below.

Import statistics of 300 series stainless steel products above 10mm in our country

Item	Unit	2020	2021	2022	2023	2024
72191190 300 series stainless steel - thickness > 10mm hot-rolled	Ton	12,668	16,831	5,500	1,368	9,184
72192190 300 series stainless steel - thickness > 10mm hot-rolled	Ton	24,714	16,500	8,022	14,252	22,650
Total of A	Ton	37,382	33,331	13,522	15,620	31,834

Source: Statistical Database Query System of the Customs Administration of the Ministry of Finance

Supply and demand analysis of stainless steel plates above 10mm in our country

Item	Unit	2020	2021	2022	2023	2024
Taiwan's import volume (excluding Yeou Yih) (B=A-C)	Ton	25,143	12,220	7,979	12,268	28,387
Yeou Yih import volume (C)	Ton	12,239	21,111	5,543	3,352	3,447
Yeou Yih domestic purchase volume (D)	Ton	18,239	14,396	26,416	37,200	29,506
Volume available for sale in Taiwan (E=B+C+D)	Ton	55,621	47,727	39,938	52,820	61,340
Yeou Yih's supply volume (F=C+D)	Ton	30,478	35,507	31,959	40,552	32,953
Yeou Yih's market share (G=F/E)	Ton	54.80%	74.40%	80.02%	76.77%	53.72%

Source: Statistical Database Query System of the Customs Administration of the Ministry of Finance/Yeou Yih's company information

3. Future Market Supply, Demand, and Growth Status

The Company primarily engages in the manufacture of stainless steel 304, 304L, and 316L series of thick plates above 8mm; which belongs to the steel plate processing industry in the stainless steel industry. Thick stainless steel plates are suitable for use only after solution heat treatment, and our Company is currently the only manufacturer in Taiwan capable of this stainless steel process. Before the company began production, all domestic vendors had to rely on imports. The period from product order to arrival often took as long as 3 months, and it is not easy to purchase and prepare materials due to the large difference in thickness. As such, the Company has entered the stainless steel thick plate market and gradually replaced imported goods. We have become the only domestic stainless steel thick plate manufacturer.

Factory equipment and pipes are also important to demand markets for local steel products in addition to processing and to produce cold-rolled steel products, stainless steel hot-rolled steel products, petrochemical tanks, vehicles, and machinery. The expansion of the production capacity of cold-rolled stainless steel and the increase in the application market of stainless steel products have contributed to the growth in demand for hot-rolled stainless steel. In 2021, the yearly growth rate increased due to the outbreak of demand. However, due to the weakening domestic demand in both 2022 and 2023, the average annual growth rate of demand for hot-rolled steel products from 2012 to 2023 is only - 0.36%.

Although the demand for steam locomotives and components grew moderately in 2023, and the demand for construction steel such as public works and new factory offices remained stable, the weak economic recovery in Europe and America affected export orders and production material demand of downstream industries. In addition, labor shortages and high material prices caused delays in the contracting and completion of some projects, and downstream industries such as the petrochemical industry were also more cautious in their willingness to replenish inventory. At the same time, China and Indonesia expanded their rolling capacity, and the impact of oversupply and price competition pressure on the domestic and export markets increased. Therefore, the domestic demand for stainless steel hot rolling in 2023 significantly declined by 5.54% compared to that in 2022.

Although the economic performance of the U.S. and China is still to be monitored in 2024, and the export pressure in China and Indonesia is still high, which affects the growth momentum of the domestic demand for stainless steel hot-rolled steel products. However, Taiwan's economy has improved, and the downstream inventory adjustment is completed gradually, driving the gradual recovery of the end-use demand; coupled with the strengthening economic growth in Europe and other major markets, it is beneficial to the downstream industries such as metal products and machinery, which have increased orders and shipments. The moderate growth of public construction demand, and the private construction demand has recovered due to the new housing policy for young people. It is estimated that the domestic demand for hot-rolled steel products will grow by 11.31% in 2024.

As for 2025, though it is expected that the geopolitical instability will keep the international energy price high, supporting the demand of the petrochemical and manufacturing industries. In addition, the demand for public construction is relatively stable, but the competition from imported products from China and Indonesia will increase, the domestic real estate market will gradually be saturated, and the government's housing market suppression policy will gradually take effect, causing the domestic real estate market to slow down. Coupled with the high base period, it is expected that the domestic demand for hot-rolled steel in 2025 will be 3.81% lower than that in 2024.

Demand forecast for domestic hot-rolled stainless steel products from 2023 to 2024

Unit: thousand metric tons

	Hot-rolled stainless steel plates		Hot-rolled stainless steel thick plates	
Year	2023	2024	2022	2023
Demand	1,378	1,437	82	86
Growth rate	1.30%	4.30%	-	-

Note: 1. Source: 2023 Taiwan Steel.

2. It is estimated that thick stainless steel plates account for approximately 6% of the demand for hot-rolled stainless steel.

4. Competitive niche

- A. Production technology: Stainless steel is a high-grade steel material with a high level of technology. The smelting and rolling of thick plates also require a high degree of technical experience to produce excellent steel products and improve the yield rate. Therefore, accumulating production technology and obtaining relevant certifications can improve product quality.
- B. Supply source: Stainless steel raw materials account for about 90% of the production cost. The product price is especially susceptible to nickel price fluctuations, and the cost is difficult to control. In addition, sea freight costs only account for 2% of the total cost due to the high unit price of stainless steel, a highly internationalized commodity. Therefore, a stable supply source is obtained to avoid material shortage risks.
- C. Shorten the delivery time: Obtain material sources nearby, reduce inventory costs, and shorten the clients' delivery time service. It can reduce the total costs for the industry, meet the immediate demands, lower the inventory cost pressure for downstream manufacturers, and reduce the impacts of steel prices or exchange rate fluctuations.
- D. Master clients and channels: For the flat stainless steel industry, the upstream is a steelmaking/hot rolling plant, the midstream is a cold rolling plant, and the downstream mainly includes pipe-making, cutting, stamping, and surface treatment plants. The products are widely used in construction, petrochemical, home appliances, machinery, automobiles, kitchen/tableware, furniture, food, hardware, and other industries. Together, they form a vertical industrial system with great added value. Therefore, there is a wide range of downstream clients. If we can grasp their customers and channels, it will absolutely impact business.
- E. Comprehensive range of products: In manufacturing projects, stainless steel plates are mainly used in engineering and equipment. In terms of size, the different manufacturing process requires different sizes. Therefore, it can better meet clients' needs if the product specifications are complete.
- F. Product price: The stainless steel plate industry offers highly internationalized products, and the recent increase in shipping costs has greatly affected the overall prices. Therefore, product price is one of the key factors due to international competition. In light of the oversupply in the domestic market, stainless steel plate manufacturers that rely on exports must have international competitiveness in terms of price to gain a foothold in the global market.

5. Development prospect advantages, disadvantages, and countermeasures

A. Favorable factors:

- (A) At present, there is no domestic competitor of the same nature

We are presently the only domestic stainless steel thick plate manufacturer and

have a good grasp of the existing market channels. Although the threshold to enter this industry is not high, it will take some time for new entrants to establish their experience curves and channels. It is difficult to break through the competitive advantages of existing manufacturers. So there have been no new entrants or investment plan applications in recent years. In addition to controlling market channels, production experience and brand value are critical in the stainless steel plate industry. Therefore, it is difficult for potential competitors to significantly impact the market in the short term.

(B) Grasp the raw material sources for stainless steel thick plates

The cost of raw materials in the midstream processing industry for thick stainless steel plates accounts for over 90% of the product costs. Therefore, a stable and flexible supply of raw materials is a favorable factor for development in this industry. Yieh United Steel Corp. is the only domestic raw material provider for stainless steel hot-rolled thick plates. Therefore, most domestic stainless steel midstream processing manufacturers would consider combining major raw material suppliers and cooperating with the suppliers' market operation strategies, focusing on domestic procurement from nearby locations and maintaining long-term supply partnerships to maintain a stable raw material supply. The goal is to reduce the total cost, meet the immediate needs of downstream manufacturers, shorten client delivery service time, and reduce the impact of steel price or exchange rate fluctuations.

(C) Market demand continues to grow

From the perspective of global stainless steel products, advanced countries were the main international stainless steel product market consumption areas in the past. However, after the continuous internal construction promotion by developing countries such as mainland China, India, and Russia, the demand for stainless steel products has grown significantly and rapidly in recent years. Therefore, the construction demand in these 3 major regions will be long-term from the global supply and demand perspective, not false demand or stockpiling as in the past. Coupled with the original demand growth worldwide, we expect a booming stainless steel market in recent years. The demands from global industrial plant construction and maintenance will drive the market for thick stainless steel plates. The production capacity of stainless steel medium and heavy plates in mainland China is insufficient, and many imports are still needed. So there is still room for growth in terms of import volume in the future.

(D) Product quality, price, and delivery time are superior to peer competitors

From the quality perspective, although domestic standards are not as good as Japan and West Germany, our quality is similar to that of South Korea, the United Kingdom, France, and Belgium. Our Company is the first domestic Company to invest in stainless steel thick plate productions. We have extensive advantages in terms of experience curve and economies of scale. We obtained ISO 9001/14001 certification, TUV-certified PED/AD2000-W0/W2 pressure vessel material manufacturer certification, and DNV NV304L/NV316L shipbuilding material factory verification certification. We will continue to obtain various quality certifications to help improve the quality brand and image of our "YYS" stainless steel plates. In recent years, the main driving force for global stainless steel growth has been in Asia. Taiwan has advantages such as short distances, short delivery times, and low prices that are conducive to market expansion.

B. Unfavorable factors for future development and countermeasures

(A) Excessive concentration of purchases from Yieh United Steel Corp.

The Company produces hot-rolled black-skinned stainless steel coils (plates) as raw materials for producing thick stainless steel plates. Two domestic suppliers can supply raw materials: China Steel makes steel in blast furnaces, and Yieh United uses electric furnaces to make steel. Due to business adjustments, China Steel no longer supplies raw materials for 8-foot-wide thick stainless steel plates. As a result, the only domestic upstream supplier that can supply hot-rolled black-skinned stainless steel plate raw materials required by the Company is Yieh United. Purchases are excessively concentrated in Yieh United Steel Corp., and the Company's raw material price and quantity easily depend on Yieh United Steel Corp.

Response measures:

a. Maintain a good cooperative relationship with suppliers by signing supply contracts:

The upstream supplier Yieh United Steel Corp.'s operations are stable since it is the largest domestic stainless steel plant and the seventh largest worldwide. The Company has successively purchased raw material hot-rolled black stainless steel coils (plates) from Yieh United since our establishment in 1996. The two parties cooperated and signed a raw material supply contract. Therefore, there should be no raw material supply interruption or shortage risks.

b. Actively develop new foreign suppliers to diversify the raw material sources:

Due to the country's abolition of import tariffs on hot-rolled stainless steel in 2004, the cost of imported products has been lowered. The Company has moderately imported steel materials with competitive prices to reduce raw material costs and actively expanded new foreign suppliers to diversify procurement risks.

c. Establish a safe stock of raw materials to reduce material shortage risks:

Pay close attention to market supply and demand, and establish a safe raw material stock to reduce the material shortage risks.

(B) The domestic market has matured, and it is necessary to actively seek export markets

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. 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 is conducive to steel product exports.

Response measures:

a. Strengthen distributor deployment in overseas 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. 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 is conducive to steel product exports. Asia, the United States, and the Middle East will dominate for the short-to-medium term.

b. Adopt supply materials nearby to expand market share:

Mainland China is the largest demand market worldwide. In the long run, we have not ruled out setting up factories in China to supply materials nearby, expand the market share in China, and improve the Company's competitiveness.

(II) Important Purpose and Production process of the Main Products

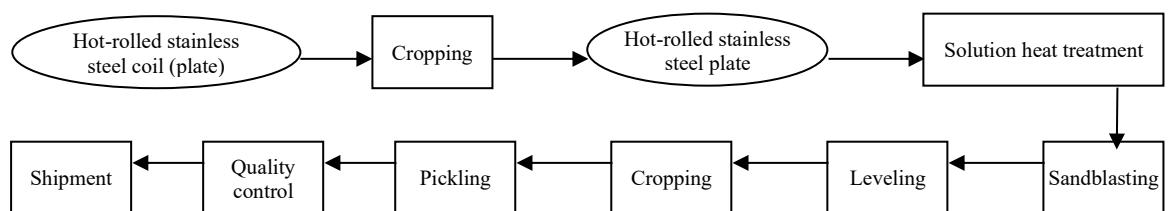
1. Important purpose of the main products

The downstream demand industries for thick stainless steel plates include the chemical industry, water resources, warehousing and transportation, civil engineering, electric power, pollution prevention, and petrochemical industries. The scope of application is quite different from that of thin plates, as shown in the table below.

Chemical industry	Inorganic acid	Hydrochloric acid	Sulfuric acid	Nitric acid		
	Organic acid	Acetic acid	Oxalic acid	Formic acid	Chlorinated Hydrocarbons	
	Fertilizer	Urea	Phosacrd			
	Papermaking	Roller	Solvent tank	Delignification	Bleach	Treatment
Water treatment industry		Fresh water purification	Seawater cooling	Desalination		
Storage/transportation		Storage tank	Containers	Chemical containers		
Construction industry		Renovation	Structure			
Power plant		Nuclear power plant	Hydroelectric power	Liquified natural gas	Wind power generation	
Air pollution control industry		Thermal power generation	Incinerator			
Petrochemical industry	Production	High-pressure pipe	Separator			
	Refinement	Rough refinement	Liquified natural gas			
	Petrochemical raw material	PTA	CVP	Urea		
High temperature		Oxide	Nitride	Sulfide	Halogen gas	

Data source: Industeel company website

2. Production process for main products



(III) Main raw material supply status

Main raw materials	Source	Status of supply
Stainless steel coil (plate)	Yieh United Steel Corp.	Good

(IV) The name of the client accounted for over 10% of the total purchase (sales) in any of the last 2 years, the amount and proportion of the purchase (sales), and the reason for the increase or decrease:

1. The name of the client accounted for over 10% of the total purchase amount in any of the last 2 years, and the purchase amount and proportion:

Unit: NT\$ thousand

Item	2023				2024				2025 as of the previous quarter			
	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer	Name	Amount	The ratio of net purchases in the current year up to the previous quarter (%)	Relationship with the issuer
1	Yieh United Steel Corp.	2,324,853	74.49%	Shareholder of the company	Yieh United Steel Corp.	2,064,520	87.60%	Shareholder of the company	Yieh United Steel Corp.	320,504	73.57%	Shareholder of the company
2	Walsin Lihwa	486,270	15.58%	N/A					Golden Port	63,252	14.52%	
3												
4												
	Others	309,829	9.93%		Others	292,170	12.40%		Others	51,921	11.91%	
	Net purchase amount	3,120,952	100.00%		Net purchase amount	2,356,690	100.00%		Net purchase amount	435,677	100.00%	

Note 1: List the name of the supplier whose total purchase amount has been over 10% in the last 2 years and the purchase amount and proportion. A code may be used if a supplier's name cannot be disclosed due to a contract or the transaction partner is an individual and not a related party.

Note 2: As of the date of publication of the annual report, if a listed company or a company with its shares traded on the business premises of securities firms has its latest financial data audited, certified or reviewed by a certified public accountant, disclose such information.

Note 3: Explanation for the change: The purchase from Fujian Fuxin, Hysoung, and Eternal Tsingshan are due to the consideration of decentralized supply sources, and the purchase will be done when needed depending on market conditions. In 2023, due to the depreciation of the Taiwan dollar exchange rate, the procurement of domestic Yieh United Steel Corp. was increased.

Note 4: The preceding purchase data does not include in-transit inventory and material amount.

2. The name of the client accounted for over 10% of the total sales amount in any of the last 2 years, and the sales amount and proportion:

Unit: NT\$ thousand

Item	2023				2024				2025 as of the previous quarter			
	Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer	Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer	Name	Amount	The ratio of net sales in the current year up to the previous quarter (%)	Relationship with the issuer
1	Ta Chen International, Inc.	957,327	27.36%	N/A	Ta Chen International, Inc.	853,521	34.99%	N/A	Ta Chen International, Inc.	179,816	28.76%	N/A
2	Cian Cheng Steel Co., Ltd.	558,785	15.97%	N/A	HWASIN	326,707	13.39%	N/A	Excel Metal	78,948	12.63%	N/A
3	HWASIN	453,251	12.95%	N/A	Lih Chun Enterprise Corp.	247,288	10.14%	N/A	Lih Chun Enterprise Corp.	64,888	10.38%	N/A
4	Lih Chun Enterprise Corp.	361,016	10.32%	N/A								N/A
	Others	1,169,218	33.40%		Others	1,011,915	41.48%		Others	301,652	48.23%	
	Net sales amount	3,499,597	100.00%		Net sales amount	2,439,431	100.00%		Net sales amount	625,304	100.00%	

Note 1: List the name of the client whose total sales amount has been over 10% in the last 2 years and the sales amount and proportion. A code may be used if the client's name cannot be disclosed due to a contract or the transaction partner is an individual and not a related party.

Note 2: As of the date of publication of the annual report, if a listed company or a company with its shares traded on the business premises of securities firms has its latest financial data audited, certified or reviewed by a certified public accountant, disclose such information.

Note 3: Explanation for the reason for the change: Ta Chen International, Inc., Cian Cheng Steel Co., Ltd., Lih Chun Enterprise Corp., Hwasin and Excel are all distributors of the Company, and the revenues all rank among the top 10.

Note 4: This table was prepared using the values of the Company's consolidated financial statements.

III. Number of employees and their average length of service, average age, and distribution ratio of educational background in the past two years and as of the publication date of the annual report

Year		2023	2024	As of 2025/03/31
Number of employees	Direct	37	36	36
	Indirect	57	59	62
	Total	94	95	98
Average age		44.87	45.66	45.90
Average service tenure		10.65	10.78	10.62
Education distribution ratio	Doctorate degree	1	1	1
	Master degree	11	14	15
	College	38	38	39
	High school	32	28	29
	Junior high school and below	12	14	14

Note: The annual data shall be updated as of the publication date of this annual report.

IV. Environmental protection expenditure information

(I) Losses incurred due to environmental pollution (including compensation and environmental protection audit in violation of environmental protection laws and regulations, the date of disciplinary action, the case number, the laws and regulations violated, the content of infringements, and the content of disciplinary action must be listed) in the most recent year and as of the publication date of the annual report. Please also disclose the estimated amount that may occur at present and in the future as well as the corresponding measures. If a reasonable estimate cannot be made, please state the fact why it cannot be reasonably estimated:

There has been no loss due to environmental pollution in the most recent year and up to the publication date of the annual report.

(II) The relevant information of our Company in response to the EU Environmental Protection Directive (RoHS) is as follows:

The company's products do not involve the relevant specifications of the EU Environmental Protection Directive (RoHS).

V. Labor relations

(I) The Company's various employee welfare measures, advanced studies, training, retirement systems, and their implementation conditions; the labor and management agreement status; and status of various employee rights protection measures:

1. Employee welfare measures

(1) Labor insurance is handled in compliance with labor insurance regulation, so workers may enjoy labor insurance protection.

(2) Employees and their family members must join the national health insurance and enjoy

other due benefits and protections.

(3) The company applied to organize an Employee Welfare Committee according to the relevant laws and regulations, which was approved and registered on May 4, 2000.

The Employee Welfare Committee handles domestic (foreign) travel, marriage, funeral, maternity subsidies, dinner parties, education and training, emergency relief, and other benefits. The various subsidies handled through the Employee Welfare Committee in 2024 are shown in the table below:

Item	Item	Amount
1	Birthday subsidy	NT\$233,000
2	Labor day subsidy	NT\$274,800
3	Dragon Boat Festival subsidy	NT\$279,200
4	Mid-Autumn Festival Grant subsidy	NT\$279,200
5	New Year's subsidy	NT\$0
6	Wedding subsidy	NT\$10,000
7	Maternity subsidy	NT\$0
8	Hospital consolation subsidy	NT\$10,000
9	Bereavement subsidy	NT\$16,800
10	Group insurance subsidy	NT\$435,840
11	Food subsidy	NT\$1,482,385
12	Other costs	NT\$516,523
	Total	NT\$3,537,748

2. Education and training system

The Company provides employees with internal or external training courses to cultivate employees' professional learning ability and engages in publicity activities related to labor safety and health. The goal is to educate employees on occupational accident prevention measures.

2024 Education & Training Statistical Table

Item	No. of courses	Total number of people	Total hours	Total cost (NTD)
1. New Employee Training	14	16	152	0
2. Professional Skill Training	63	332	1,270.5	285,640
3. Supervisor Competency Training	5	5	115	229,900
4. Vocational Training	7	605	1,475	0
5. Self-inspirational Training	0	0	0	0

3. Retirement System and Implementation Status

(1) By adhering to the requirements outlined in the "Labor Standards Act," the Company had established its own defined retirement benefits plan, which applies both to the service years of all regular employees rendered before the enforcement of the "Labor Pension Act" on July 1, 2005, and to the service years of all employees who elected to continue applying the "Labor Standards Act" after the implementation of the "Labor Pension Act." If the employee meets the retirement conditions, the pension payment is calculated based on the service years and the average salary for the 6 months before retirement. The service years of less than 15 years (including) shall be given two bases every year, and one base shall be given for each year for over 15 years of services with a cumulative maximum limit of 45 bases. The Company allocates a pension fund

of 4% of the total salary every month. It deposits it to the Bank of Taiwan under the account name of the Labor Retirement Reserves Supervision Committee.

- (2) The Company has established a definitive pension allocation retirement method according to the "Labor Pension Act," on July 1, 2005, which applies to all domestic employees. The Company shall allocate 6% of the salary as a monthly pension to the Labor Insurance Bureau Personal Account for its employees who have selected the labor pension system established by the "Labor Pension Act." The employee's pension payment is based on the employee's pension account and accumulated income, which is collected as a monthly pension or in one lump sum.
- (3) In 2024, the pension cost recognized as an expense by the Company according to the preceding pension method is NT\$2,552 thousand.

4. Labor-management agreement status and various employee rights protection measures
The Company emphasizes rationalized and humanized management, establishes a smooth communication channel, maintains a good relationship between labor and capital, jointly creates productivity, and shares profits to establish a harmonious labor-capital relationship as follows:

- (1) Formulate labor conditions according to government labor-related laws and regulations.
- (2) Provide equal job opportunities to all job seekers according to the Employment Service Act.
- (3) There is a complaint channel for employees when their legitimate rights and interests are violated or infringed upon and cannot be reasonably resolved.
- (4) Established the "Complaint and Punishment of Sexual Harassment Prevention and Control Measures in the Workplace" provisions to provide employees and job applicants with a working environment free from sexual harassment, and prohibit sexual harassment incidents at the workplace.

5. Work environment and employee personal safety protection measures

- (1) Formulate safety and health rules and distribute them to all employees. It covers workplace safety and health standards, education and training, health guidance and management measures, first aid and rescue, preparation, maintenance, use of protective facilities, accident notification, and reporting of different work areas. It requires employees to abide by relevant regulations.
- (2) Hold fire drills to let employees understand the importance of fire prevention, how to use firefighting equipment, and knowledge about fire fighting.
- (3) Regularly arrange physical examinations to let employees know their physical conditions.
- (4) Strengthen factory safety, post hygiene slogans, and remind employees to pay attention at any time.
- (5) Promote aerobics and outdoor jogging activities to strengthen employee health.

6. Employee complaint mechanism and channels
In addition to submitting complaints through monthly department meetings and labor-management meetings, the Company's employees can fill out the complaint form and put it in the suggestion box. The management department shall handle such complaints.

7. Measures and implementation results for the prevention of employees' chronic diseases such as weight loss and high blood sugar, high blood lipids and high blood pressure

- (1) In 2024, the Company promoted health care and education on an irregular basis to help employees maintain health.
- (2) The Company has been actively promoting labor health checkups in November 2024,

and has adopted necessary safety and health measures every year.

- (3) Starting in March 2024, the Company organizes health activities such as ultra-slow running and BATABA aerobics from time to time, and advocates the concept of health benefits from climbing stairs.
- (4) The Company has been preparing meals for its employees on its own. Since January 2024, it has been promoting light oil and salt cooked rice and vegetable dishes in the employee cafeteria to reduce unnecessary food burden.

(II) Losses suffered by the company in the most recent year and up to the annual report publication date due to labor disputes (including matters that violate the Labor Standards Act in the results of labor inspections; list the date of disciplinary action, disciplinary code, violation of regulatory provisions, related regulatory content, and disciplinary content), and disclose an estimate of possible expenses that could be incurred currently and in the future and countermeasures being or to be taken. If a reasonable estimate cannot be made, explain why it cannot be made:

The Company has not suffered losses due to labor relations in 2024, and has maintained good labor relations with employees as of the publication date of the annual report. So there should be no labor disputes at present and in the future.

VI. Cyber security management:

(I) Describe the information security risk management frameworks, information security policies, specific management plans, and resources invested in cyber security management.

1. Information Security Risk Management Framework:

The Company has established the relevant information security management measures and specifications to comply with the national information security policy and strengthen the Company's internal information security management. The objective is to maintain the information environment for the ongoing operation of the information business, ensure the confidentiality, integrity, and availability of our information assets, and adhere to the requirements of pertinent domestic and international laws and regulations. We also want to prevent intentional or unintentional internal and external threats from compromising information security.

According to Paragraphs 5-8, Article 3 of the Cyber Security Management Act, the Company is not considered a government agency, specific non-government agency, critical infrastructure, or critical infrastructure provider. Although not applicable, the relevant provisions of Chapters 2 and 3 of the Cyber Security Management Act shall be listed in the relevant management measures according to the applicability of the Company's business nature.

The Company's information security unit is the Information Office, which is responsible for formulating internal information security policies, planning information security operations, and promoting and implementing information security policies.

The Audit Office of the Company shall conduct regular inspections. Suppose any deficiencies are found during the inspection. In that case, the inspected unit shall be required to propose improvement measures, and the improvement results shall be tracked regularly to reduce internal information security risks.

The Company has established the Information Room under the President's Office. It is responsible for the development and maintenance of the Company's computer network and application system, the maintenance and management of computer hardware, peripheral equipment and information files, and the planning and execution of information system

security.

The personnel information is as follows:

Rank	Name	Title	Education Background	Date of arrival	Qualifications
Information Supervisor	Wen-Wei Tsai	Manager	Department of Information Management, I-Shou University	2003/03/21	27 years
Information clerk	Ying-Cheng Chen	Engineer	Department of Information Management, I-Shou University	2021/12/01	20 years

2. Cyber security policy:

To ensure the security and stability of the Company's network and information environment, the IT Office is responsible for the implementation and enforcement of information security in accordance with these regulations.

- (1) Legal compliance: The Company shall comply with government regulations and standards related to information security and personal data protection when conducting business.
- (2) Information security education: The Company regularly conducts information security education and training to promote information security policies and implementation regulations.
- (3) Security monitoring: Establish information and communication security monitoring and protection measures and conduct regular inspections.
- (4) Authorization management: The authorization to use the information system and network services is clearly regulated to prevent unauthorized access.
- (5) Rehearsal and protection: Formulate disaster recovery plans for information communication security and conduct actual drills to ensure that they can respond to emergencies.

3. Information communication security management plan:

Item	Relevant specifications and measures
Institutional specifications	<ul style="list-style-type: none">● Regulate employee behaviors based on beneficial electronic data processing cycles.
Cyber Security	<ul style="list-style-type: none">● A firewall is installed at the interface between the internal network and the external network to prevent unauthorized access to the internal network from the outside. The firewall rules are regularly reviewed to ensure that the firewall rules are properly set.● Disable services and functions that are not used by network equipment to reduce risks.● The installation and use of wireless network shall be subject to careful security assessment.
Computer Security	<ul style="list-style-type: none">● All computer software and copyrights are managed by the Information Office.● The manufacturer shall be accompanied by the personnel from the Company's IT department when maintaining the computer mainframe equipment.

	<ul style="list-style-type: none"> ● All computer systems of the Company are equipped with anti-virus software to implement and automatically update the virus database, and perform virus scanning on a regular basis. ● When an employee resigns or is relocated, the account permission must be immediately canceled or adjusted.
Application system management	<ul style="list-style-type: none"> ● Employees are instructed not to open unsolicited e-mails. ● Enable email filtering and anti-virus mechanisms to filter out spam and emails that may contain viruses.
Data security	<ul style="list-style-type: none"> ● The computer room is equipped with temperature control equipment and fire-fighting equipment, and access control is adopted to restrict access to specific personnel. ● The database is backed up daily, and an off-site backup mechanism is established.
Safety training	<ul style="list-style-type: none"> ● Information security incidents shall be announced to the Company's employees immediately. ● Appropriate information security awareness or educational training are provided to employees on a regular basis.

(II) List the losses, possible impacts, and countermeasures due to major information security incidents in the most recent year and as of the publication date for this annual report. If it cannot be reasonably estimated, state the reason why it cannot be reasonably estimated:
As of the publication date of this annual report, no major information security incident has occurred or led to major losses.

VII. Major contracts: The contracting parties, major content, restrictive clauses, and the commencement dates and expiration dates of supply/distribution contracts, technical cooperation contracts, construction contracts, long-term loan contracts, and other contracts either still effective as of the date of publication of the annual report or expired in the most recent fiscal year that would affect shareholders' equity.

Nature of contract	Contract party	Contract starting date	Main content	Restriction clause
Transaction Contract	Yieh United Steel Corp.	2023/01/01~2023/12/31	Monthly delivery volume agreement	N/A
Transaction Contract	NOVASTILMEC SPA	2022/10/04~2024/02/28	High precision leveling machine	N/A

Five. Review and Analysis of Financial Status and Operation Results and Risk Matters

I. Financial status

Unit: NT\$ thousand

Item	Year	2024	2023	Difference	
				Amount	%
Current asset		1,279,765	1,108,569	171,196	15.44%
Financial assets at fair value through other comprehensive income - non-current		7,100	15,840	(8,740)	(55.18%)
Property, plant, and equipment		425,274	329,895	95,379	28.91%
Intangible asset		286	0	286	-
Other assets		4,542	5,757	(1,215)	(21.10%)
Refundable deposits		684	684	0	0.00%
Total assets		1,717,651	1,460,745	256,906	17.59%
Current liability		600,587	295,534	305,053	103.22%
Non-current liabilities		9,661	12,646	(2,985)	(23.60%)
Equity attributable to owners of the parent company		1,107,403	1,152,565	(45,162)	(3.92%)
Share capital		902,203	902,203	0	0.00%
Capital surplus		8,385	8,385	0	0.00%
Retained earnings		208,874	245,296	(36,422)	(14.85%)
Other equities		(12,059)	(3,319)	(8,740)	263.33%
Treasury shares		0	0	0	-
Non-controlling interests		0	0	0	-
Total equity		1,107,403	1,152,565	(45,162)	(3.92%)

I. Major changes in assets, liabilities, and shareholders' equity in the last two years (the changes in the previous and later periods reaches 20%, and the amount of changes reaches NT\$10 million), state the main reasons and their impacts, and future response plans:

1. Current assets: Due to an increase in inventory. for NT\$205,555 thousand in 2024.
2. Property, plant and equipment: Due to the purchase of high-precision leveling machines in 2024.
3. Total assets: Same as in 1. and 2.
4. Current liabilities: Due to an decrease in short-term borrowings.
5. Equity attributable to owners of the parent company: Due to a decrease in profit in 2024.
6. Retained earnings: Same as in 5.
7. Total equity: Same as in 5.

II. Response plan:

In 2024, the price drop of stainless steel products and the wait-and-see attitude in the stainless steel market led to a decrease in sales volume and a decline in operating revenue. The Company is still actively purchasing low-priced inventory while reducing inventory and cost control measures. The Company will continue to promote the following measures to maintain stable operations.

1. Strengthen the safety stock control policies to reduce operational risks.
2. Contribute to the future planning of long-term and short-term business plans, extend

sales channels, raise overall plant production capacity, improve the company's operating performance, inject profits, and enrich our own funds to strengthen the financial structure.

Basis of Evaluation as well as Assets and Liabilities Evaluation Item Listing Methods for Financial Statements

Item	Assets and Liabilities Evaluation Items	Basis of Evaluation	Foundation of Evaluation
1	Allowance for Bad Debt	Aging Analysis	<p>1. Before January 1, 2011, the impairment assessment of accounts receivable was based on the actual experience of bad debts in the past. The aging of accounts receivable on the balance sheet date and the recovery possibility assessment was provided.</p> <p>1-1. The provision ratio of bills receivable is 0.5%.</p> <p>1-2. The accounts receivable after deducting the net amount of the letter of credit received shall be listed according to the following ratios according to the aging analysis:</p> <p>(1) Within 3 (inclusive) months, 0.5% (2) Within 3~6 (inclusive) months, 3% (3) Within 6~12 (inclusive) months, 10%. (4) Over 1 year, 100%.</p> <p>2. After January 1, 2011, the impairment assessment of accounts receivable is to confirm whether objective evidence shows impairment of significant individual accounts receivable. The amount of impairment shall be assessed individually for major individual receivables with objective evidence of impairment. For the remaining insignificant receivables with objective evidence of impairment and those with no objective evidence of impairment, those with similar credit risk characteristics are grouped to assess the impairment of assets in that group. Suppose the impairment in the subsequent period decreases, which is obviously related to an event that occurred after the impairment was recognized. In that case,</p>

			the previously recognized impairment amount of the financial asset shall be reversed. But the reversal shall not cause the carrying amount of the financial asset to be greater than that of the unrecognized impairment. After the amortized cost, the reversal amount shall be recognized as profit or loss for the current period.
2	Provision for sluggish inventory loss	Cost and net realizable value assessment	<p>1. Sluggish assessment</p> <p>The Company's inventory is mainly stainless steel plates (coils), etc., which can be used or sold after surface treatment due to oxidation resistance, corrosion resistance, and other features. There is no risk of loss to the Company's inventory due to aging, so no sluggish loss is listed in principle.</p> <p>2. Assessment of cost versus net realized value</p> <p>Inventories are evaluated at a lower cost and net realizable value. The comparison of cost and net realizable value is based on individual items except inventories of the same category. Net realizable value refers to the estimated selling price under normal circumstances after deducting the costs invested in completion and sales expenses. The calculation of inventory cost adopts the weighted average method.</p>

II. Financial performance

(I) Comparative analysis of operating results

Unit: NT\$ thousand

Item	Year	2024	2023	Amount increase (decrease)	Change ratio (%)
Operating revenue		2,439,431	3,499,597	(1,060,166)	(30.29%)
Gross profit (loss) from operations		163,274	240,877	(77,603)	(32.22%)
Profit (loss) from operations		62,289	141,310	(79,021)	(55.92%)
Non-operating income and expense		14,630	1,235	13,395	1,084.62%
Net income before tax		76,919	142,545	(65,626)	(46.04%)
Net profit (loss) for this period		61,091	113,763	(52,672)	(46.30%)
Other comprehensive profit and loss for the current period (net)		(7,011)	(1,652)	(5,359)	324.39%
Total comprehensive income in the current period		54,080	112,111	(58,031)	(51.76%)
Net profit (loss) attributable to the owners of the parent company		61,091	113,763	(52,672)	(46.30%)
Net profit (loss) attributable to non-controlling interests		0	0	0	-
Net total comprehensive profit/loss attributable to the owners of the parent company		54,080	112,111	(58,031)	(51.76%)
Total comprehensive profit/loss attributable to non-controlling interests		0	0	0	-
Earnings per Share		0.68	1.26	(0.58)	(46.03%)

I. The main reasons for major changes in operating income and net operating profit before tax in the last two years (if the operating gross profit changes by over 20%, a separate analysis of the difference shall be made; if the change of the increase or decrease does not reach 20%, the analysis may be exempted):

1. Gross profit: Due to the decline in stainless steel prices, the operating profit decreased.
2. Operating profit/loss: Same as 1, hence the operating profit decreased.
3. Non-operating income and expenses: The appreciation of NTD resulted in exchange loss for export, so non-operating income decreased.
4. Net profit before tax: Same as 2, hence the net profit before tax decreased.
5. Net profit (net loss) for the current period: Same as 2, hence the net profit for the current period decreased.
6. Other comprehensive gains and losses (net amount) for the current period: mainly due to the decrease in the unrealized evaluation benefits of equity instrument investments measured at fair value through other comprehensive profits or losses in 2023.
7. Total comprehensive profit/loss for the current period: Same as 5, hence the total comprehensive profit for the current period decreased.
8. Net profit (loss) attributable to the owner of the parent company: Same as 6. So the Company's 100%-owned reinvestment subsidiary Yeou Yih International Co., Ltd., has started to operate and create profits.
9. Total comprehensive profit/loss attributable to the owner of the parent company: Same

<p>as 8. So the Company's 100%-owned reinvestment subsidiary Yeou Yih International Co., Ltd., has started to operate and create profits.</p> <p>10. Earnings per share: Same as 6, hence earnings per share increased.</p> <p>II. The Company's main business content remains unchanged. Its operating policies, market conditions, and economic environment are not expected to undergo major changes.</p> <p>III. The main influencing factors and basis on why the Company's sales volume is expected to grow in the next year:</p> <ol style="list-style-type: none"> 1. The sales volume of stainless steel plates is estimated to reach 33,600 tons in the coming year, based on the Company's production capacity and market demand. 2. The decrease in sales weight is due to the stable market price but the market sentiment is still dominated by a wait-and-see approach. 					
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(II) Analysis of Changes in Gross Profit (Loss) from Operations

Item	Increase and Decrease Changes during Previous and Subsequent Periods	Difference analysis			
		Sales prices difference	Cost difference	Combination difference	Quantity difference
Gross profit (loss) from operations	(77,603)	(263,913)	215,578	(63,056)	33,788

Explanations:

1. Difference in selling prices: Due to the decline in the price of stainless steel in 2024, there was an unfavorable difference in selling prices.
2. Cost price difference: Same as the above, so there is a favorable cost price difference.
3. Differences in sales mix: The removal of high-margin inventory in 2024 resulted in unfavorable sales combination differences.
4. Quantity difference: The decrease in sales volume in 2024 resulted in a favorable volume difference.

Note: Since Yeou Yih Group is mainly composed of Yeou Yih Steel, only Yeou Yih Steel is used for analysis.

III. Cash flows

Unit: NT\$ thousand

Beginning of the period cash balance	Expected net operating cash flow for the whole year	Annual cash inflow (outflow)	Cash surplus (deficit) amount	Remediation measures against expected cash flow deficit	
				Investment plans	Financial management plans
153,547	(153,570)	98,860	98,837	Not applicable	Not applicable

1. Cash flow change analysis for 2024:

- (1) Operating activities: NT\$-153,570 thousand, mainly due to NT\$76,774 thousand in profit before tax for 2024, an increase of NT\$205,555 thousand in ending inventory, a decrease of NT\$20,504 thousand in accounts receivable, an increase of NT\$37,281 thousand in prepayments, a decrease of NT\$6,940 thousand in accounts payable, and an income tax payment of NT\$17,023 thousand.
- (2) Investing activities: NT\$-119,618 thousand, mainly due to NT\$119,611 thousand for the acquisition of property, plant, and equipment.
- (3) Financing activities: NT\$218,478 thousand, mainly due to an increase in short-term borrowings of NT\$317,537 thousand and the payment of cash dividends of NT\$99,242 thousand.

2. Insufficient cash remedial measures and liquidity analysis: The Company has no cash shortage.

3. Cash liquidity analysis for 2025:

Beginning of the period cash balance	Estimated annual net cash flow from operating activities	Estimated annual cash outflow	Estimated cash surplus (deficiency) amount	Remedial measures for estimated cash shortfalls	
				Investment plans	Financial management plans
98,837	86,176	(123,115)	61,898	Not applicable	Not applicable

- (1) The stable sales and profitability of the stainless steel market in 2025 are expected to result in a net cash inflow of NT\$12,394 thousand from operating activities due to the procurement of additional fixed assets.
- (2) For the estimated operating profit funds in 2025, the short-term bank loan increase, shareholder dividend payment, and cash balance reduction can generate an annual net cash outflow of approximately NT\$36,939 thousand.

IV. Impact of major capital expenditures on finance and business in the most recent year: None.

V. Reinvestment policy in the most recent year, main reasons for the profit or loss, improvement plan, and investment plan for the coming year:

The Company must have a JIS mark as the basis for marketing to expand the Japanese market. The JIS standard requires manufacturers to have hot rolling equipment to apply for JIS mark G4304 (stainless steel hot-rolled steel plate), and the process of Yeou Yih Steel cannot meet the requirements. Japan's Ministry of Industry, Economy, and Trade as well as JQA verified that we could not apply for the JIS mark as a manufacturer. If we want to apply, we must do so as a

seller. That is, apply through a trading company (Yeou Yih International) in combination with Yeou Yih Steel in the form of a supply chain.

Yeou Yih International Co., Ltd. was established on May 28, 2019, with a capital of NT\$20,000 thousand. The Company held 100% of its shares and was reported to the board of directors on August 5, 2019. The JIS mark certification application case was approved in April 2021.

VI. For risk issues, analyze and evaluate the following matters in the most recent year as of the publication date of this annual report:

(I) The effects that interest rate, exchange rate fluctuations, and inflation have on the profits and losses of the Company as well as the future response measures:

Effects on the Company's Profit and Loss

Item	2024 (NT\$ thousand; %)
Net interest income and expense	(4,375)
Net exchange profit (loss)	13,380
Ratio of net interest income and expenditure to net revenue	(0.18%)
Ratio of net interest income and expenditure to net profit before tax	(5.69%)
Ratio of net exchange profit and loss to net revenue	0.55%
Ratio of net exchange profit and loss to net profit before tax	17.39%

1. Interest rate changes:

(1) The impact of interest rate changes

In 2024, interest expense increased by NT\$2,204 thousand compared to the previous period due to the increase in purchase and fixed assets.

(2) The Company's specific measures in response to changes in interest rates

In response to the interest rate change considerations, the Company usually strengthens the connection and relationship with the bank to strive for the loan amount and preferential interest rate required for operation.

2 Exchange rate fluctuation:

(1) The impact of exchange rate changes on the Company's profit

① The Company's annual export sales in 2024 were about US\$30,284 thousand. Therefore, if the US dollar rises (depreciates) by 5 cents, the revenue and profit will increase (decrease) by NT\$1,514 thousand.

② The Company's annual import amount in 2024 was about US\$7,210 thousand. Therefore, if the US dollar rises (depreciates) by 5 cents, the cost and profit will decrease (increase) by NT\$361 thousand.

(2) The company's specific measures in response to exchange rate changes

① During the USD purchase material loan period, it shall be repaid or converted into an NTD loan when appropriate depending on the exchange rate trend.

② Reduce the USD loan amount to the equivalent USD export amount. That is, make the amount of supply and demand for USD equal to produce the natural hedging effect.

3. Inflation:

(1) The prices of raw materials and finished products of the Company's stainless steel goods

are highly correlated and less affected by inflation.

- (2) The Company's manufacturing and operating expenses accounted for 3.66% and 3.65% of the total cost, respectively. They have insignificant impacts.
- (3) The Company's products include industrial buildings and equipment, less susceptible to inflation than ordinary private consumer goods. As a result, the Company will continue monitoring worldwide industrial construction and maintenance requirements to expand its businesses.

(II) Policies for engaging in high-risk and high-leverage investments, fund loans to others, endorsements, and derivative products; the main reason for profit or loss; and future countermeasures:

The Company has formulated relevant operating procedures (please refer to the Company's website: <http://www.yeouyih.com.tw/Investor Services/E-file Area of Articles of Association>) as the basis for transaction engagements. The Company did not engage in high-risk, high-leverage investment, capital lending to others, endorsement and guarantee matters or derivative commodity transactions in 2024 and as of the publication date of the annual report.

(III) Future R&D plans and anticipated investments in R&D expenses:

This year, the Company expects to participate in the carbon emission reduction counseling program of the Ministry of Economic Affairs to carry out carbon reduction technology for solid solution furnaces (Furnace B) and carbon inventory and energy management projects, and to carry out research and development projects such as the research on new leveling machine technology. After adding the salaries and wages of the regular process improvement staff, the estimated R&D expense for 2024 is NT\$25,000 thousand.

(IV) The effects that the key domestic and international policy and law changes have on the financial operations of the company as well as the response measures:

1. Important policy: The EU will impose up to 18.9% tariffs on flat-rolled stainless steel from China, Taiwan, and Indonesia to curb competition from EU producers such as Outokumpu. The punitive measures took effect on the 9th, will last for 6 months, and may be extended for 5 years. Indonesian flat-rolled stainless steel will be subject to a 17% duty, compared with 6% or 7.5% in Taiwan and 14.5% to 18.9% in China (depending on the exporter).
2. Response measures: Europe is currently a non-primary sales region, and sales in other areas will be strengthened.

(V) The effects that technological changes and industry changes have on the financial operations of the Company and the countermeasures:

1. To improve internal information control, information personnel are hired to create an inventory management system that keeps track of inventory dynamics and provides various business analysis data to strengthen the Company's competitiveness.
2. For information on cybersecurity risk management, please refer to page 94 of the annual report.

(VI) The effects that corporate image has on corporate crisis management as well as the

countermeasures:

Under increasingly fierce competition in the global market, establishing corporate image has become an indispensable task for the sustainable operation of the Company. In addition to continuously promoting various quality certifications, the Company is also committed to producing high-quality products and establishing the Company's "YYS" brand in stainless steel plates.

(VII) Expected benefits, possible risks, and countermeasures of mergers and acquisitions:

The Company does not have any merger and acquisition plans for 2024 as of the publication date of the annual report.

(VIII) Expected benefits and possible risks of factory expansions as well as the response measures:

The Company has no investment plan to build a factory as of the publication date of the annual report.

(IX) The risks of concentrated procurement or sales as well as the countermeasures:

In 2024, the Company actively purchased stainless steel products with competitive prices to increase customers' willingness to purchase and avoid the risk of sales concentration. The proportion of the Company's sales volume accounted for by Ta Cheng Stainless Steel increased from 27.36% in 2023 to 34.99% in 2024.

In 2024, 87.60% of the Company's raw materials for stainless steel hot-rolled thick plates were concentrated in Yieh United Steel Corp. (hereinafter referred to as "Yieh United"), mainly due to factors such as industry characteristics as well as market supply and demand conditions. After considering that any change may affect factors such as raw material quality, price, and the convenience of nearby supply, the decision is difficult to change once made, so as not to affect product quality, and to establish long-term cooperative relationships and maintain the stability of supply. The Company also keeps abreast of changes in the raw material market and stays in touch with relevant domestic and foreign raw material suppliers. The goal is to promptly increase cooperation with other suppliers in case of an emergency. In addition, the Company usually has an appropriate amount of safety stock for the main raw materials. In the event of force majeure or unexpected events, the stock should still be sufficient until other alternative sources of raw materials are sought. There should be no risk of a supply shortage or interruption due to concentrated purchases.

(X) The effects and risks that large-number transfers or replacements of directors, supervisors, or major shareholders holding over 10% of the company's shares have to the Company as well as the countermeasures: None.

(XI) The effects and risks that operating rights changes have to the Company as well as the response measures:

In 2024 and as of the publication date of the annual report, the Company has no change in management rights.

(XII) Finalized judgments or pending litigations, non-litigations, or administrative disputes associated with the Company's directors, supervisors, or major shareholders holding over 10% of the Company's shares whereby the results may have major impacts on the shareholders' rights or share prices; the facts of the dispute, the amount of the subject matter, the start date of the litigation, the main parties involved in the litigation, and the handling status as of the printing date of the annual report must be disclosed:

In 2024 and as of the publication date of the annual report, the Company has no ongoing litigation or non-litigation incidents.

(XIII) Other important risks and countermeasures:

1. In 2024 and as of the publication date of the annual report, the Company has no other material risks.
2. The Company's risk management organization:

The Company has strengthened its corporate risk management in recent years based on the latest internal audit development and standard requirements by providing cautions and strict risk detection, assessment, reporting, and handling. The Company's risk control is divided into three levels (mechanisms): The first mechanism is the organizer and the contractor, who must take responsibility for the initial risk detection, assessment, control, design, and prevention for various operations. The second mechanism is the various management meetings chaired by the president or board chairman. In addition to feasibility assessment, it also includes various risk assessments. The third mechanism is the reviews by the audit office and the board of directors. The company does not have a chief risk officer. Its purpose is to comprehensively control risks for all employees. This layer-by-layer prevention is the most practical risk control method rather than single-person control. See the table below for details

Risk Management Organization Operation Table

Important risk assessment items	Direct risk control unit (first mechanism)	Risk review and control (second mechanism)	Board of Directors and Audit Office (third mechanism)
1. Interest rate, exchange rate, and financial risks	Finance Department	President, Chairman	Board of Directors: Decision-making and ultimate control for risk assessment.
2. High-risk and high-leverage investment, capital loan to others, derivatives trading, and financial investment	Finance Department		
3. R&D plans	Technology Department, Production Department		
4. Policy and Legal Changes	Management Department, Finance Department		Audit Office: Risk inspection, evaluation, supervision,
5. Industry changes	Business Department		

6. Corporate image changes	Sales Department, Management Department	improvement, tracking, and reporting.
7. Investment, reinvestment, and M&A benefits	Finance Department	
8. Plant and production equipment expansion	Production Department, Technology Department	
9. Sales and purchase	Sales Department and Management Department	
10. Changes in equity for directors, supervisors, and major shareholders	Chairman and board of directors	
11. Change in operating rights	Chairman and board of directors	
12. Litigation and non-litigation matters	Management Department	
13. Other operating matters	Business Planning Office	
14. Personnel conduct, ethics, and integrity	Various Level Supervisors and Management Department	
15. SOP and legal compliance	Various Level Supervisors	
16. Board of directors' meeting management	Chairman's Office	

3. Results of risk assessments in 2024: After review by all assessment units, there were no significant risks.

4. The operation status of risk management in 2024 was reported to the Board of Directors on January 13, 2025.

VII. Other important issues: None.

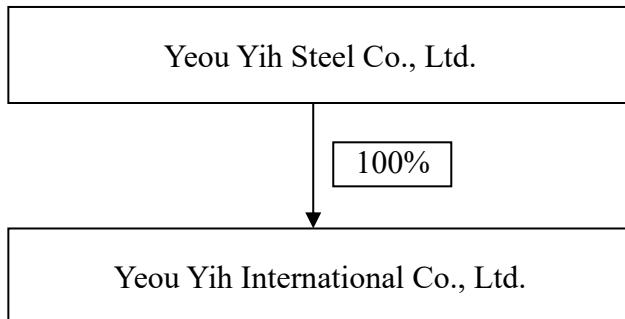
Six. Special Disclosures

I. Affiliated enterprises related information:

(I) Affiliated business consolidated business report:

1. Overview of affiliates:

(1) Affiliate organization chart



(2) The name, date of establishment, address, paid-in capital, and main business items of each affiliated enterprise

December 31, 2023

Unit: NT\$ Thousand

Enterprise Name	Date of Establishment	Address	Paid-in capital	Main business scopes and products
Yeou Yih Steel Co., Ltd.	1996.01.29	No. 2, Yonggong 10th Rd, Yong'an District, Kaohsiung	NTD 902,203	processing and trading of stainless steel products
Yeou Yih International Co., Ltd.	2019.05.28	No. 2, Yonggong 10th Rd, Yong'an District, Kaohsiung	NTD 20,000	Hardware and Building Materials Wholesale and Mechanical Appliance Retail

Note 1. All affiliated companies must be disclosed regardless of their scale.

2. Each affiliated enterprise has a factory. Suppose the sales value of a factory's products exceeds 10% of the controlling company's operating income. In that case, the name of the factory, date of establishment, address, and the main products produced by the factory shall be listed.
3. If the affiliated company is a foreign company, the name and address of the company can be expressed in English, the establishment date can also be expressed

in AD, and the paid-in capital can also be expressed in foreign currency. The exchange rate between NTD and USD is 32.785:1 as of the publication date of this report.

(3) Parties presumed to have control and subordination under Article 369-3 of the Company Act: Yeou Yih International Co., Ltd.

(4) The industries covered by the business of the overall affiliated companies and the dealings and division of labor if businesses operated by the affiliated companies are related to each other:

The Company must have JIS mark as the basis for marketing to expand the Japanese market. The JIS standard requires manufacturers to have hot rolling equipment to apply for JIS mark G4304 (stainless steel hot-rolled steel plate), and the process of Yeou Yih Steel cannot meet the requirements. Japan's Ministry of Industry, Economy, and Trade as well as JQA verified that we could not apply for the JIS mark as a manufacturer. If we want to apply, we must do so as a seller. That is, apply through a trading company (Yeou Yih International) in combination with Yeou Yih Steel in the form of a supply chain.

(5) Names of directors, supervisors, and presidents of each affiliated enterprise and their shareholding or capital contribution to the enterprise:

April 20, 2025

Units: share; NT\$ thousand; %

Enterprise Name	Title	Name or representative	Number of shares held (Note 2) (Note 3)	
			No. of shares/amount	Shareholding ratio
Yeou Yih Steel Co., Ltd.	Chairman	Hong Yu Industrial Co., Ltd.	1,500,000 shares	1.66%
	Representative	Hsien-Tong Liu	4,000,000 shares	4.43%
	Representative	Yi-Chun Liu	0 shares	0.00%
	Director	Yusheng Investment (shares)	5,409,129 shares	6.00%
	Representative	Ching-Tsung Huang	0 shares	0.00%
	Director	Hung-Sheng Liu	500,000 shares	0.55%
	Director	Chien-Hua Huang	2,242,000 shares	2.49%
	Director	Chien-Liang Liu	300,103 shares	0.33%
	Independent director	Mei-Yao Chang	0 shares	0.00%
	Independent director	Yu-Liang Pan	0 shares	0.00%
Yeou Yih International Co., Ltd.	Independent director	Yi-Ting Tsai	0 shares	0.00%
	President	Jui-Hsin Chang	0 shares	0.00%
	Chairman	Yeou Yih Steel Co., Ltd.	2,000,000 shares	100.00%
	Chairman	Yeou Yih Steel Co., Ltd.	0 shares	0.00%
Yih Co.,	Representative: Hsien-Tong Liu			
	Director	Yeou Yih Steel Co., Ltd.	0 shares	0.00%
	Representative: Jui-Hsin Chang			
	Director	Yeou Yih Steel Co., Ltd.	0 shares	0.00%
	Representative: Chien-Liang Liu			

	President	Jui-Hsin Chang	0 shares	0.00%
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Note 1. If the affiliated enterprise is a foreign company, those with equivalent positions shall be listed.

2. If the invested company is a joint stock limited company, please fill in the number of shares and shareholding ratio. For others, please fill in the capital contribution and capital contribution ratio and specify.
3. When the directors and supervisors are juridical persons, the relevant information of the representative shall be additionally disclosed.

(6) Operation overview of affiliated companies

Operation overview of affiliated companies (as of December 31, 2024)

Unit: NT\$ thousand

Enterprise Name	Capital	Total assets	Total liabilities	Net value	Operating revenue	Operating income	Current profit and loss (after tax)	Earnings per share (NTD) after tax
Yeou Yih Steel Co., Ltd.	902,203	1,717,167	609,764	1,107,403	2,438,592	62,117	61,091	0.68
Yeou Yih International Co., Ltd.	20,000	21,189	484	20,705	17,357	51	579	0.29

(II) Consolidated financial statements of affiliated companies: Please refer to the MOPS/Basic Information/Electronic Book/Financial Statement/Company Code: 9962; year: 2024 ([Electronic Data Inquiry Service \(twse.com.tw\)](http://twse.com.tw)).

(III) Affiliated Enterprise Reports: N/A

II. Private placement of securities during the most recent year and up to the publication date of the annual report: None.

III. Other necessary supplementary information: None.

IV. Matters specified in subparagraph 2, paragraph 3, Article 36 of the Securities and Exchange Act that occurred in the most recent year and as of the publication date of the annual report with a significant impact on the shareholders' equity or securities prices: None.