YIEH HSING ENTERPRISE CO., LTD.

2024 Shareholders' Meeting

Time: June 19, 2024 at 9:30 am.

Place: No. 38, Dazhai St.,Zihe Vil.,Ziguan Dist., Kaohsiung City (Zihe Community Center)

Attendance: Attending number of shares in person were 400,781,141, proxy attending and solicited attending number of share was zero, the total number of nonvoting rights was zero, the sum of shares was 400,781,141 achieving 75.52 % of the number of the Company's issued shares 530,651,613, was more than one half of the total number of issued shares. The chair shall call meeting to order in accordance with the regulations.

Delegate: Independent Director Chang, Wen-Yi, Remuneration Committee Member Chang, Wen-Yi, Independent Director Yang, Te-Yuan (Audit Committee Convener), Remuneration Committee Convener Yang, Te-Yuan, Independent Director Wu, Ming-Tong, Remuneration Committee Member Wu, Ming-Tong, Director Chen, Sen-Long, President Chen Sen-Long, Lawyer Lin, Ching-Yun, Accountant Su, Ping-Chang, Financial Officer Wang, T. H, Financial Vice President - Yu, Ching-Sheng.

The Chair: Chairman Wu, Lin-Maw　　　　Recorder: Tseng, Hsiu-Chen

I. Call meeting to order

II. Perform acts of meeting

III. Chairman's address（omitted）。

IV. Reported Matters：

1. 2023 Business Report（refer to P.4-P.12 of this agenda）。
2. 2023 Audit Committee's Auditor's Annual Financial Statements（refer to P.24 of this agenda）

V. Acknowledged Matters：

【Case 1】Board of Directors' Proposal

Proposal: Acknowledgement of 2023 Financial Statements Case

Description:1. For the Company's 2023 annual business report, parent company financial statements, please refer to this meeting agenda.

2. The company financial statements have been audited by CPAs Tsai, Shu-Man and Lee, Ching-Ling of Crowe Horwath United Accounting Firm, and an audit report has been issued.

3. The above-mentioned financial statements and business report have been reviewed by the Audit Committee.

4. Please acknowledge

Resolution: After voted by attending shareholders holding total number of voting rights of 400,781,141 rights, approval: 398,553,896 rights accounted for the total number of voting rights of 99.44%, opposition: 69,691 rights, invalidation: 0 right, abstention/not voted: 2,157,554 rights, approved right number achieved statutory passing amount, the proposal was approved.

【Case 2】Board of Directors' Proposal

Proposal: Acknowledgement of the company's 2023 loss appropriation

Description: 1. 2023 loss appropriation is as follows:

YIEH HSING ENTERPRISE CO., LTD.

Loss Appropriation

2023

Unit: NT$

Item	Amount
Beginning accumulated deficit	-
Add: 2023 after-tax net loss	(981,331,670)
Less: Changes in related companies and joint ventures recognized using the equity method	10,129
Other comprehensive profit and loss (remeasurement of defined benefit plan in 2023)	12,347,882
Accumulated item:	
Statutory surplus reserves	337,402
Capital reserve - unrealized profit or loss of intra group trade	968,636,257
Ending accumulated deficit	-

Chairman: Wu, Lin-Maw   Manager: Chen Sen-Long   Accounting Director: Shih, Fun-Yun

2. No dividends will be distributed this year

3. Please acknowledge

Resolution: After voted by attending shareholders holding total number of voting rights of 400,781,141 rights, approval: 398,565,595 rights accounted for the total number of voting rights of 99.44%, opposition: 93,992 rights, invalidation: 0 right, abstention/not voted: 2,121,554 rights, approved right number achieved statutory passing amount, the proposal was approved.

VI. Matters for Discussion:

【Case 1】Board of Directors' Proposal

Proposal: Discussion of the company's "Rules of Procedure for Shareholders Meetings" revision case

Description:

1. Based on 17 March 2023 Public Announcement No. Taiwan-Stock-Governance 11200041671 to modify the "Rules of Procedure for Shareholders Meetings".
2. For the cross reference table of the revised articles of the "Rules of Procedure for Shareholders Meetings", please refer to Attachment 1; for the full text after revision, please refer to Attachment 2.
3. Please discuss

Resolution: After voted by attending shareholders holding total number of voting rights of 400,781,141 rights, approval: 398,583,886 rights accounted for the total number of voting rights of 99.45%, opposition:81,791 rights, invalidation: 0 right, abstention/not voted: 2,115,464 rights, approved right number achieved statutory passing amount, the proposal was approved.

VII. Extemporary Motions: none.

VIII. Adjournment. (at 09:54 a.m.)

There are no shareholders' questions at this shareholders' meeting.

The Chair: Wu, Lin-Maw

Recorder: Tseng, Hsiu-Chen

Reported Matters

1. 2023 Business Report

(I) 2023 Business Results:

1. Retrospect of 2023 Market Overview

(1) The center of gravity for stainless steel wire market prices continued to decline in 2023.

Throughout 2023, the stainless steel wire market witnessed a continuous decline in prices, influenced by the trends of raw materials such as nickel and molybdenum. The most significant drop occurred from February to March, with prices falling steadily. In the first quarter, the average nickel price dropped from US$28,240 per ton in January to US$23,307 per ton in March, marking an 18% decrease. Despite a gradual recovery in transactions due to seasonal expectations from April to June, replenishment remained cautious. During this period, market destocking accelerated, leading to an 11% decrease in the second quarter, with the average nickel price falling from US$23,756 per ton in April to US$21,192 per ton in June. From July to September, the downgrade of U.S. credit ratings and increased risks in U.S. bonds led to fluctuating macroeconomic sentiments. LME nickel market experienced highs and lows, resulting in a 6% decrease in the third quarter, with the average nickel price dropping from US$20,898 per ton in July to US$19,629 per ton in September. In the last quarter of the year, there was a slight improvement in downstream procurement sentiment, accompanied by periodic replenishment in downstream demand. However, factors such as a stronger U.S. dollar, increased LME nickel inventories, and heightened geopolitical tensions, which raised hedging demand, contributed to a weak and volatile trend in LME nickel prices. Consequently, the fourth-quarter average nickel price dropped from US$18,255 per ton in October to US$16,388 per ton in December, reflecting a 10% decrease. The overall annual decline in stainless steel wire market prices for 2023 approached 45%.

(2) The demand for carbon steel slabs was weak in the first half of 2023, followed by a gradual recovery in the latter half.

The price of iron ore in 2023 experienced an initial decline followed by a subsequent rise, averaging US$119 per ton. From April to August, iron ore prices remained at relatively low levels. By the end of December, prices rose to US$140 per ton before stabilizing and then retracing slightly. The market situation for coking coal mirrored a pattern of initial decline succeeded by an upturn. In the first half of the year, coking coal production was ample under supply assurance policies, coupled with a significant increase in coal imports, leading to a relatively abundant overall supply. However, the sluggish demand in the finished product market resulted in steel mill maintenance and production reductions, leading to a decline in coking coal demand. This mismatch between supply and demand caused coal prices to plummet. In the second half of the year, the safety production situation in producing areas further escalated, with coal production remaining high, supporting and driving coking coal prices higher. The prices of carbon steel slabs also followed a pattern of decline followed by a rise in line with raw material prices such as iron ore and coking coal. International steel prices were affected by lower-than-expected demand in the first half of the year, with production cuts in April and May leading to weaker demand for raw materials. However, signs of gradual recovery in the carbon steel market emerged in the second half of the year. Influenced by factors such as the complex and changing economic environment and weak demand, the domestic carbon steel slab market exhibited a volatile situation. In 2023, our country's total annual import volume of carbon steel slabs was 220,203 tons, a decrease of 7,875 tons compared to 2022, representing a decline of approximately 3%. As the steel industry continues to promote green and low-carbon development, it will constrain the release of steel production capacity. This may alleviate the decline in steel demand, while also weakening further downward pressure on raw material prices. It is expected that the overall supply-demand relationship in the steel market will improve to some extent.

(3) Strengthening Stainless Steel Slab Supply and Consolidating the Carbon Steel Slab Market.

Global crude steel production in 2023 totaled 1.8882 billion tons, marking a 0% year-on-year change. Amid carbon reduction efforts, production cuts, and stabilized demand, this suggests that steel prices will maintain relatively high levels. However, in the face of high prices and low demand, the Company experienced a significant decrease in sales volume for stainless steel slabs and a minor decrease for carbon steel slabs, resulting in a substantial reduction in overall sales revenue. In 2023, the sales volume of stainless steel slabs decreased by 4,058 tons compared to 2022, with the average selling price declining from the previous year, resulting in an overall decrease in sales revenue of NT$1,223,636 thousand. The sales volume of carbon steel slabs in 2023 decreased by 4,745 tons compared to 2022, leading to a decrease in sales revenue of NT$311,640 thousand. Faced with reduced revenue, declining production output, and rising production costs, the Company must not only strive to strengthen the supply of stainless steel slabs but also actively expand the demand market for existing carbon steel slabs.

(4) 2023 Business Overview

In 2023, the Company experienced a decrease in revenue, with total annual revenue amounting to NT$5.015 billion, representing a decrease of NT$1.814 billion compared to the previous year's revenue of NT$6.829 billion. The pre-tax net loss for 2023 was NT$983 million, indicating a decline compared to the pre-tax net loss of NT$684 million in 2022. The revenue and profit situation of the Company was affected by reduced demand in the steel market and insufficient confidence among downstream customers. The steel industry in 2023 continued to be affected by factors such as high inflation, interest rate hikes, as well as geopolitical conflicts such as the Russia-Ukraine war and unrest in the Gaza Strip. Unfavorable external factors persisted, and the global economic trend remained uncertain with no visible signs of economic recovery. This led to inadequate confidence among downstream customers, who mostly adopted a policy of purchasing as needed, prioritizing inventory reduction to alleviate operational pressure. The international steel prices in 2023 showed a trend of fluctuation and bottoming out, further exacerbated by frequent geopolitical conflicts worldwide and slow economic recovery in mainland China, resulting in weak end-demand. In the first half of the year, iron ore prices fluctuated downward, with downstream industries maintaining a conservative outlook on future economic recovery. However, strong supply dynamics persisted, leading to an imbalance between supply and demand and presenting a situation of tepid external conditions but relatively stable internal conditions in the steel market. As a result, revenue contraction and noticeable profit decline were observed among steel mills. In the latter half of the year, iron ore prices notably increased, and trading activity became more active. In response to the rise in raw material costs, various steel mills adjusted steel prices to enhance profitability. Additionally, benefiting from the recovery in global automobile production and strong investment momentum in India, steel demand increased, indicating a warming trend in the steel market. It is anticipated that the steel market has passed its trough, with a global consensus that the upward trend in steel prices has been firmly established, which positively impacts the Company's operational strategy and layout.

In 2023, the average selling price of stainless steel slabs decreased by approximately 20.7% compared to the previous year, while the average selling price of carbon steel slabs decreased by about 11%. Both the selling prices and quantities of stainless steel and carbon steel slabs decreased in 2023 compared to the previous year, resulting in a 26.6% decrease in operating income from 2022 to 2023. Given the lack of recovery momentum in the international situation, the Company is actively committed to strengthening its operational status. It is vigorously dedicated to developing a complete supply chain to stabilize raw material costs. Additionally, investments are made in improving production processes to stabilize product quality, expand product specifications, and facilitate the penetration of broader international markets. This strategy aims to increase product turnover and production capacity utilization. Furthermore, efforts are focused on consolidating existing markets while simultaneously exploring potential customers. Through innovative thinking, the Company strives to capitalize on better profit opportunities, aiming to establish itself as a leading contender in the next wave of market competition.

2. Review of the Company Operation in 2023

The results of the company's business plan implementation, budget implementation, financial revenue and expenditure, profitability analysis and research and development status last year (2023) are as follows：

(1) 2023 Business Plan Implementation Results

Financial Report — Unit: NT$ Thousand

Item \ Year	2023	2022	Amount Increase/Decrease	Change Ratio
Operating Income	5,015,149	6,828,696	(1,813,547)	(26.56)
Operating Cost	5,482,820	6,895,194	(1,412,374)	(20.48)
Gross Operating Profit (Loss)	(467,671)	(66,498)	(401,173)	(603.29)
Operating Expenses	172,639	211,205	(38,566)	(18.26)

Net Operating Profit (Loss)	(640,310)	(277,703)	(362,607)	(130.57)
Non-operating income and expenses	(342,517)	(406,333)	63,816	15.71
Net Profit (Loss) Before Tax	(982,827)	(684,036)	(298,791)	(43.68)
Income Tax Expenses	1,495	(10,618)	12,113	114.08
Net Profit (Loss) After Tax	(981,332)	(694,654)	(286,678)	(41.27)

(2) 2023 Budget Implementation：

The company didn’t disclose financial forecast in 2023, so the disclosure of the budget implementation status did not apply.

(3) Financial income and expenditure and profitability analysis：

Financial Report

Item	2023	2022
Net cash flow from operating activities (NT$1,000)	(519,685)	1,050,375
Equity/Asset (%)	47.63	57.76
Liability/Asse t(%)	52.37	42.24
Long-term fund to property, plant, and equipment ratio (%)	188.51	192.35
Current Ratio (%)	92.07	77.71
Quick Ratio (%)	41.52	35.04
Asset-to-remuneration ratio (%)	(7.18)	(4.77)
Equity-to-remuneration ratio (%)	(15.56)	(9.75)
Profit margin (%)	(19.57)	(10.17)
Earnings per share (NT$)	(1.85)	(1.31)
Number of shares at year end (1,000 shares)	530,652	530,652

(4) Research and Development

The company believes that the main lifeline of an enterprise lies in research and development. The company's research and development plan adheres to the following business philosophy:

Innovation	Introduce new technologies, research new processes, develop new products, innovate management, and jointly promote overall industrial upgrading.
Growth	Continue to invest, enhance the vitality of the enterprise, improve the items and quality of products and services, and enable the company, employees and customers to grow together.
Responsibility	Work hard to protect the rights and interests of investors. Implement environmental protection and maintain social resources. Fulfill corporate responsibility and give back to the society.
Sustainability	Cultivate outstanding talents for joint management, root in Taiwan, set our sights on the world and be sustainable.

The company continues to carry out the research and development of new products with lean and innovative thinking, We link the innovative thinking to explore new models. The company also pursues the further promotion of products and operation quality and strives to create more value for the company and customers with lean management and optimal service.

(II) 2024 Business Plan

1. Continue to reduce the cost of carbon steel raw materials and expand the source of steel billets.

According to the latest global steel demand forecast from the World Steel Association, global steel demand is expected to grow by 1.9% in 2024. The steel market has already reflected the impact of high inflation and high-interest rate environments. Since the second half of 2022, with the weakening of investment and consumption momentum, market activities in the steel-using industries in most sectors and regions have sharply cooled down. This situation persisted into 2023. Considering the delayed effects of contractionary monetary policies, it is expected that the steel demand in developed economies will slowly recover in 2024. The Company continues to expand alternative sources of steel billets to reduce raw material costs and shorten customer delivery schedules. This effort aims to increase downstream customer orders to stabilize and maintain production capacity utilization. With expectations of a recovery and strengthening demand in the domestic steel industry in 2024, there is still potential for price increases. The Company hopes to adjust prices accordingly and looks forward to moving towards rapid growth development.

2. Actively develop channels for stainless steel wire rods and expand market share.

In 2023, domestic consumption of stainless steel wire in Taiwan amounted to approximately 139,000 tons. The Company's domestic sales volume increased slightly from 19.29% in 2022 to 22.26% in 2023, while the proportion of exports decreased from 8.09% in 2022 to 7.09% in 2023. Looking ahead to the stainless steel market in 2024, steel mill operations remain cautious, with traders and downstream businesses replenishing inventory as needed. Currently, inventory levels remain relatively high, and there is an expected increase in raw material capacity. Persistent disturbances in the international situation are intensifying competition in the steel market amidst reduced demand. However, according to the forecast released by the International Stainless Steel Forum (ISSF) on May 23, 2023, global stainless steel consumption is expected to remain at the same level as 2022, with a projected increase of 3.6% in 2024 compared to 2023. With consumer confidence rising and a focus on inflation control and interest rate adjustments, the recovery momentum strengthens, fostering optimism for the stainless steel market outlook. In addition to continuing to develop high-end stainless steel slab sales to Europe and the United States, the Company is expanding its sales and service presence in Southeast Asia. We aim to understand customer demand dynamics, providing overall services with excellent quality, reasonable prices, and fast delivery times. By collaborating with customers to explore markets actively, we are proactively expanding sales of the Company's stainless steel slabs.

3. Continue to strengthen product research, development and sales

In view of the successful research and development cases of the stainless steel high-grade steel project completed in 2015, which initiated the Company’s resource integration and joint development forces with the downstream customers, we hope to copy such a similar successful experience and expand it to other markets and customers. Through the Company's steel grade composition and process adjustment, we can cooperate with the customers to jointly develop the market and win orders. In addition, the Company has also cooperated with the upstream raw material suppliers to develop similar new steel grades. In addition to the increase of the steel grade combination of 304J3A and 304M5 in 2018 and the development of the new sizes of 5.0mm and the new steel grades of 2205/303CU/430L, the Company launched the fast-cutting stainless steel AISI 303 in 2019. In 2020, the development of 410 new steel grade was completed, while the development of new steel grades of 409Cb and YCS550, planned last year (2022), was postponed to this year due to the pandemic. The Company will continue to develop new steel grades to provide the customers with different choices and consolidate the market.

4. Conserve energy and carry out cost reduction projects

Energy is the major source of cost consumption in the steel industry. With the active cooperation, the Company inputs the research and innovation manpower. We are committed to achieving the goal of energy conservation and carbon reduction from process improvement to product development in order to reduce both the energy consumption and the production cost and enhance competitiveness. Since 2017, a number of energy-saving improvement processes and measures have been implemented, and in 2021, in keeping with the government's energy policies, we made efforts in the development of energy-saving processes, the reduction of energy consumption, the decrease of carbon emissions, the creation of corporate value, and the enhancement of industrial competitiveness. In 2022, the Company initiated the construction of a solar power generation system project at the Pingnan Factory in response to the government's carbon reduction initiatives. The procurement process was completed in November, and in December 2023, the photovoltaic power generation system was commissioned and connected to the grid. The installed capacity is 1600 kWp, with an estimated annual electricity generation of 1.9 million kWh, resulting in a reduction of 950 tons of carbon emissions per year.

5. Expected Sales Volume in 2024

In 2024, the Company plans to sell approximately 235,000 tons of stainless steel and non-stainless steel wire rod elements, along with approximately 60,000 tons of carbon steel contract manufacturing elements.

Overall in 2024, advancements in stainless steel production technology persist, leading to reduced consumption of raw materials and energy, as well as continuous improvement in productivity and yield. Most stainless steel products exhibit a diverse range of production types in small quantities. Many stainless steel products do not have large orders, and manufacturers often need to switch production projects between different materials and sizes to meet market demands. In response to market needs, stainless steel manufacturers are also focusing on developing high-value-added products and aiming towards energy-saving and carbon-reducing regulations, with the goal of achieving "net-zero carbon emissions". Producing environmentally friendly products is one of the future trends. To meet future demand and enhance competitiveness, the Company actively seeks raw material suppliers for stainless steel slab elements. This effort aims to reduce production costs and provide competitive prices to customers continuously. Efforts are also made to develop and produce high-end products, promote equipment modernization, refine production technology, and maximize company benefits.

(III) The Company's future development strategy and impact of external competitive environment, regulatory environment, and general business environment

1. The Company's future development strategy

In addition to maintaining our existing markets in the United States and mainland China, the Company is actively expanding into the European and Southeast Asian markets. Furthermore, we are transitioning towards high-margin stainless steel products to cater to high-end demand customers. Simultaneously, we strive to reduce costs to solidify our presence in the general market and serve our existing customers effectively. We are continuously developing new stainless steel grades with high processability to expand our market and eliminate threats from low-price competition. Actively exporting high-value-added products to overseas markets, we collaborate with upstream steel mills to continuously explore foreign sources of steel billets to optimize raw material supply. Moreover, we provide customized products and services, aiming to expand our customer base and seek the best cost combination and comprehensive operational performance for the Company.

In May 2021, the Company planned the expansion and renovation of the Pingnan Factory. The plan involves expanding the rolling line capacity and equipment renovation at the Pingnan Factory. Under the Company's future medium to long-term business strategy, we aim to actively enhance our competitive advantage in the wire rod market and maintain our position as a leader in the industry. Facing the rapidly changing market demands, we will gradually reduce production costs to enhance market competitiveness and expand future stable growth opportunities. In October 2021, the Pingnan Factory converted its fuel system from heavy oil to natural gas combustion, significantly reducing carbon emissions. However, in line with the government's green energy policies and the Company's vision for energy conservation and carbon reduction, we invested in renewable energy generation (solar photovoltaic) in 2022. This investment aims to reduce electricity purchasing costs from Taiwan Power Company and meet future climate change mitigation requirements.

2. The impact of the external competitive environment

In 2018, the United States imposed Section 232 tariffs on steel and aluminum exports from Europe. Subsequently, the European Union imposed retaliatory tariffs on certain products exported from the United States. Since January 2022, the United States has replaced the steel and aluminum Section 232 tariffs with tariff rate quotas (TRQ). In response, the European Union has fully suspended retaliatory tariffs on certain products exported from the United States. Both parties have agreed to suspend tariff imposition until December 31, 2023. On December 19, 2023, the European Union announced the extension of the suspension of tariffs related to the steel dispute with the United States until March 31, 2025. Despite efforts by our government to negotiate tariff rate quotas with the United States, we have not received this advantage. Therefore, theoretically, our exports may be crowded out. Tariff imposition may weaken competition and increase supply chain costs, necessitating appropriate responses from the Company. Furthermore, with the implementation of the Regional Comprehensive Economic Partnership (RCEP), encompassing the largest population and economic scale, and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) absorbing new members, global economic and trade dynamics, as well as supply chains, are further restructuring. Due to our small domestic market size, our country must adhere to trade liberalization and participate in regional economic integration to avoid marginalization in international trade competition. Domestic industries are threatened and impacted by the importation of low-priced goods due to market openness, requiring substantial assistance and attention from the government. In the face of changing external environments, reducing supply chain-related costs, product differentiation, enhancing product added value, stabilizing sales channels, and maintaining customer relationships are crucial for maintaining competitive advantages. The Company will adopt differentiated strategies, competing in the international market with high-quality and promptly delivered stainless steel wire rod elements, supported by stable support from domestic and international customers in terms of quality, delivery, price, and service. To strengthen competitiveness in the Asia-Pacific region, we will also enhance research and development of premium products and improvements to serve customers and expand markets with the best quality.

3. The impact of regulatory environment and general business environment

(1) Given that the steel industry is a high-resource-consuming industry and is increasingly affected by rising global environmental awareness, effectively reducing the environmental impact of industrial development has become a key consideration factor for the Company's sustainable operation and development policies. With the intensification of global warming and climate change, carbon reduction and achieving net-zero carbon emissions have become a global consensus. The intensity of related carbon regulation and carbon reduction pressures is gradually increasing. In the face of international supply chain requirements and the pressure of carbon reduction, particularly with the implementation of the European Union Carbon Border Adjustment Mechanism (CBAM), it is imperative to establish comprehensive carbon tracking and footprint capabilities. The EU's Carbon Border Adjustment Mechanism, implemented in 2023, has erected trade barriers affecting various countries. In the Fit for 55Package, a 55% carbon reduction in 2030, proposed by the EU on July 14, 2021, the "Carbon Border Adjustment Mechanism (CBAM) was submitted and it took effect on January 1, 2023 and will be fully implemented on January 1, 2026. The trend of low-carbon initiatives compels companies to confront the pressures of the three carbon elements—carbon neutrality, carbon pricing, and carbon tariffs—in their pursuit of sustainable development. It is imperative for companies to proactively respond to these challenges. In response to the enactment of the Climate Change Act, Taiwan will implement a carbon tax mechanism, requiring businesses to levy carbon taxes. This mechanism was established based on the passage of the Climate Change Act on January 10, 2023, incorporating the target of achieving net-zero emissions by 2030 into law. The

mechanism came into effect in January of 2024 with the aim of making enterprises emitting greenhouse gases bear corresponding costs to reduce carbon dioxide emissions. Carbon taxation represents a significant step for Taiwan towards a low-carbon society and is deemed a necessary measure to address the global climate crisis. Enterprises should actively confront the challenges of carbon taxation and adopt effective decarbonization strategies to reduce costs, enhance competitiveness, and seize business opportunities. The establishment of a carbon pricing mechanism will not only determine how companies will pay for carbon emissions in the future, but also speed up the Company's carbon inventory and promote ESG carbon reduction. Low carbon brings not only challenges, but also infinite opportunities, so we will implement carbon reduction, grasp the opportunities, and look forward to gaining advantages in the process of transformation, which will be of great help to sustainable development of the Company.

(2) The World Steel Association's steel demand forecast indicates a rebound following a 3.3% decline in global steel demand in 2022, with an expected growth of 1.8% in 2023, reaching 1.8145 billion tons. In 2024, the growth trajectory is anticipated to continue with a 1.9% increase, reaching 1.8491 billion tons. However, uncertainties persist in the steel demand forecast for 2024. These uncertainties are driven by conflicts and disturbances in regions such as Russia and Ukraine, Israel and Pakistan. These conflicts may further exacerbate geopolitical and economic instability, posing downside risks. Overall, under the impact of monetary tightening, the global economic outlook continues to deteriorate, adversely affecting consumption and investment. Nevertheless, as the economy slows down, inflation also begins to weaken in 2023, and the period of monetary tightening may come to an end by 2024. Despite interruptions in construction activities due to high interest rates, proactive development momentum is evident in infrastructure investments in many regions. This trend is observed even in developed economies, indicating foreseeable increases in steel demand. It is anticipated that infrastructure demand may slightly boost steel demand in 2024.

Chairman: Wu, Lin-Maw Managerial Officer: Chen, Sen-Long Accounting supervisor: Shih, Fun-Yun

國富浩華聯合會計師事務所
Crowe (TW) CPAs
80250高雄市苓雅區四維三路6號27樓之1
27F-1., No.6, Siwei 3rd Rd.,
Lingya Dist.,
Kaohsiung City 80250, Taiwan
Tel +886 7 3312133
Fax +886 7 3331710
www.crowe.tw

Independent Auditors' Report

To the Board of Directors and Shareholders
Yieh Hsing Enterprise Co., Ltd.

Opinion

We have audited the accompanying balance sheets of Yieh Hsing Enterprise Co., Ltd. (the "Company") as of December 31, 2023 and 2022, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's financial statements for the year ended December 31, 2023 are stated as follows:

Revenue recognition

Please refer to Note 4.17 to the financial statements for the accounting policy on revenue recognition; Note 5.1.(1) for Critical Accounting Judgments and Major Sources of Estimation and Assumption Uncertainty of revenue recognition; and Note 6.20 for the details of revenue recognition.

Description of key audit matter

The company engages mainly in the manufacturing and selling of wire rods and steel processed, operating revenue is one of the major item in the financial statements and becomes to the concerns for users of financial statements. Therefore, we determined the revenue recognition as a key audit matter.

How the matter was addressed in our audit

Our key audit procedures included analyzing the industry trends, income types, product lines, and customers' two-year operating income status to confirm whether there were abnormal circumstances or centralized transactions and identify possible risks; understanding and testing the internal control procedure to assess the effectiveness of the relevant internal control for revenue recognition; conducting a sample test on the sales transactions of the top ten new customers to confirm the authenticity of the sales transaction and executing sales cutoff test.

Valuation of inventory

Please refer to Note 4.7 to the financial statements for the accounting policy on inventories; Note 5.2.(4) for Critical Accounting Judgments and Major Sources of Estimation and Assumption Uncertainty of inventories; and Note 6.4 for inventory valuation.

Description of key audit matter

The Company's inventory was $1,137,482 thousand (net of $1,246,895 thousand of total inventory less $109,413 thousand of allowance for inventory valuation loss) as of December 31, 2023, which accounted for 10% of total assets. The inventory valuation is measured at the lower of inventory cost and net realizable value. Given that the valuation of net realizable value of inventory has a significant impact on critical judgements and estimates and since inventory valuation is dependent on the influence of frequently volatile fluctuations of international metal price, we have thus included this item in the key audit matters.

How the matter was addressed in our audit:

Our key audit procedures included obtaining management's assessment data which determines the lower of inventory cost and net realizable value; sampling estimated selling prices to the most recent sales records; and assessing the appropriateness of management's basis for estimating the net realizable value.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in Our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financia1 statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethica1 requirements regarding independence, and to communicate with them all re1ationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors’ report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Shu Man Tsai and Ching Ling Lee.

Crowe (TW) CPAs
Kaohsiung, Taiwan
Republic of China
March 7, 2024

<u>Notice to Readers</u>

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

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

YIEH HSING ENTERPRISE CO., LTD.
BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

		December 31, 2023		December 31, 2022	
Assets	Note	Amount	%	Amount	%
CURRENT ASSETS					
Cash and cash equivalents	6(1)	$473,988	4	$406,306	4
Financial assets at fair value through profit or loss - current	6(2)	16,936	-	21,516	-
Notes receivable, net	7	37	-	24	-
Accounts receivable, net	6(3)	124,395	1	121,115	1
Accounts receivable - related parties, net	7	9,004	-	23,902	-
Other receivables		7,126	-	40	-
Other receivables - related parties	7	803	-	-	-
Current tax assets		370	-	102	-
Inventories	6(4)	1,137,482	10	1,104,409	9
Prepayments		53,108	-	18,132	-
Other financial assets - current	8	345,852	3	349,246	3
Total Current Assets		2,169,101	18	2,044,792	17
NONCURRENT ASSETS					
Financial assets at fair value through other comprehensive income or loss - noncurrent	6(5)	3,864	-	3,566	-
Investments accounted for using equity method	6(6)	4,501,894	37	4,678,752	40
Property, plant and equipment	6(7)	5,233,473	43	4,743,758	41
Investment properties	6(8)	134,224	1	134,224	1
Deferred tax assets	6(25)	133,624	1	132,130	1
Refundable deposits		143	-	143	-
Net defined benefit assets - noncurrent	6(15)	34,159	-	18,747	-
Other noncurrent assets - other	6(9)	10,869	-	-	-
Total Noncurrent Assets		10,052,250	82	9,711,320	83
TOTAL ASSETS		$12,221,351	100	$11,756,112	100
Liabilities and Equity					
CURRENT LIABILITIES					
Short-term loans	6(10)	$ 1,517,138	13	$1,797,937	15
Short-term notes and bills payable	6(11)	249,518	2	478,512	4
Contract liabilities - current	6(20)	25,636	-	37,252	-
Notes payable		105,070	1	65,348	1
Accounts payable		-	-	54,498	-
Other payables	6(12)	171,028	1	123,368	1
Provisions - current	6(13)	12,761	-	14,408	-
Advance receipts	7	302	-	302	-
Current portion of long-term loans	6(14)	274,498	2	59,757	1
Total Current Liabilities		2,355,951	19	2,631,382	22

Liabilities and Equity	Note	December 31, 2023 Amount	%	December 31, 2022 Amount	%
NONCURRENT LIABILITIES					
Long-term loans	6(14)	$4,038,089	33	$2,330,542	20
Deferred tax liabilities	6(25)	6,832	-	3,750	-
Total Noncurrent Liabilities		4,044,921	33	2,334,292	20
TOTAL LIABILITIES		6,400,872	52	4,965,674	42
EQUITY					
Share	6(16)				
Common stock		5,306,516	44	5,306,516	46
Capital surplus	6(17)	1,479,871	12	2,157,126	18
Retained earnings	6(18)				
Legal reserve		337	-	337	-
Accumulated deficits		(968,974)	(8)	(677,255)	(6)
Other equity	6(19)	2,729	-	3,714	-
Total Equity		5,820,479	48	6,790,438	58
TOTAL LIABILITIES AND EQUITY		$12,221,351	100	$11,756,112	100

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

YIEH HSING ENTERPRISE CO., LTD.

STATEMENTS OF COMPREHENSIVE INCOME

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

		Year Ended December 31			
		2023		2022	
	Note	Amount	%	Amount	%
OPERATING REVENUE	6(20)	$5,015,149	100	$6,828,696	100
OPERATING COST	6(4)	(5,482,820)	(110)	(6,895,194)	(101)
GROSS PROFIT(LOSS)		(467,671)	(10)	(66,498)	(1)
OPERATING EXPENSES					
Selling and marketing expenses		(77,159)	(2)	(112,932)	(2)
General and administrative expenses		(95,480)	(1)	(98,273)	(1)
Total operating expenses		(172,639)	(3)	(211,205)	(3)
INCOME (LOSS) FROM OPERATIONS		(640,310)	(13)	(277,703)	(4)
NON-OPERATING INCOME AND EXPENSES					
Interest income		3,479	-	1,413	-
Other income	6(22)	2,869	-	24,452	-
Other gains and losses	6(23)	(3,102)	-	12,257	-
Finance costs	6(24)	(150,738)	(3)	(126,493)	(1)
Share of loss of subsidiaries, associates and joint ventures		(195,025)	(4)	(317,962)	(5)
Total non-operating income and expenses		(342,517)	(7)	(406,333)	(6)
INCOME (LOSS) BEFORE INCOME TAX		(982,827)	(20)	(684,036)	(10)
INCOME TAX EXPENSE	6(25)	1,495	-	(10,618)	-
NET INCOME (LOSS)		(981,332)	(20)	(694,654)	(10)
OTHER COMPREHENSIVE INCOME (LOSS)	6(26)				
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of defined benefit plans		15,417	-	17,783	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive Income		298	-	(1,239)	-
Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures		(1,254)	-	(4,781)	-
Income tax expense (benefit) related to items that will not be reclassified subsequently to profit or loss		(3,083)	-	(3,557)	-
Items that may be reclassified subsequently to profit or loss:					
Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures		(15)	-	11,189	-
Total other comprehensive income (loss), net of income tax		11,363	-	19,395	-
TOTAL COMPREHENSIVE INCOME (LOSS)		($969,969)	(20)	($675,259)	(10)
EARNINGS PER SHARE					
Basic earnings (loss) per share	6(27)	($1.85)		($1.31)	
Diluted earnings (loss) per share	6(27)	($1.85)		($1.31)	

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

YIEH HSING ENTERPRISE CO., LTD.
STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

			Retained Earnings		Other Equity Item			
Item	Common Stock	Capital Surplus	Legal Reserve	Unappropriated Earnings (Accumulated Deficits)	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain (loss) on Hedging instruments	Total Equity
BALANCE AT JANUARY 1, 2022	$5,306,516	$2,144,890	$-	$3,374	$ (10,078)	$8,757	$4	$7,453,463
Appropriation and distributions of prior years' earnings:								
Legal reserve	-	-	337	(337)	-	-	-	-
Changes in associates and joint ventures using the equity method	-	12,236	-	(2)	-	-	-	12,234
Net income (loss) for 2022	-	-	-	(694,654)	-	-	-	(694,654)
Other comprehensive income (loss) for 2022, net of income tax	-	-	-	14,364	11,189	(6,158)	-	19,395
Total comprehensive income (loss) for 2022	-	-	-	(680,290)	11,189	(6,158)	-	(675,259)
BALANCE AT DECEMBER 31, 2022	5,306,516	2,157,126	337	(677,255)	1,111	2,599	4	6,790,438
Changes in associates and joint ventures using the equity method	-	-	-	10	-	-	-	10
Capital surplus used to offset accumulated deficit	-	(677,255)	-	677,255	-	-	-	-
Net income (loss) for 2023	-	-	-	(981,332)	-	-	-	(981,332)
Other comprehensive income (loss) for 2023, net ofincome tax	-	-	-	12,348	(15)	(970)	-	11,363
Total comprehensive income (loss) for 2023	-	-	-	(968,984)	(15)	(970)	-	(969,969)
BALANCE AT DECEMBER 31, 2023	$5,306,516	$1,479,871	$337	($968,974)	$1,096	$1,629	$4	$ 5,820,479

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

YIEH HSING ENTERPRISE CO., LTD.

STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

Item	Year Ended December 31 2023	2022
1.CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	($982,827)	($684,036)
Adjustments to reconcile profit and loss:		
Depreciation	298,967	302,959
Amortization expense	375	-
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	(920)	1,113
Interest expense	150,738	126,493
Interest income	(3,479)	(1,413)
Dividend income	(420)	(570)
Share of loss of subsidiaries, associates and joint ventures	195,025	317,962
Loss on disposal and retirement of property, plant and equipment	198	565
Property, plant and equipment transferred to expenses	18,323	2,625
Loss (gain) on disposal of investments	(488)	936
Loss (gain) on disposal of investments accounted for using equity method	-	(120)
Total adjustments to reconcile profit and loss	658,319	750,550
Changes in operating assets and liabilities		
Net changes in operating assets:		
Decrease (increase) in financial assets at fair value through profit or loss	5,988	(16,436)
Decrease (increase) in notes receivable	(13)	7
Decrease (increase) in accounts receivables	11,618	329,560
Decrease (increase) in other receivables	(7,882)	75,372
Decrease (increase) in inventories	(33,073)	746,419
Decrease (increase) in prepayments	(34,976)	9,793
Decrease (increase) in other operating assets	5	256
Total net changes in operating assets	(58,333)	1,144,971
Net changes in operating liabilities:		
Increase (decrease) in contract liabilities	(11,616)	(19,962)
Increase (decrease) in notes payable	39,722	(29,890)
Increase (decrease) in accounts payable	(54,498)	53,219
Increase (decrease) in other payables	40,039	(27,670)
Increase (decrease) in provisions	(1,647)	(4,671)
Increase (decrease) in advance receipts	-	(69)

Item	Year Ended December 31 2023	2022
Total net changes in operating liabilities	$12,000	($29,043)
Total net changes in operating assets and liabilities	(46,333)	1,115,928
Total adjustments	611,986	1,866,478
Cash generated from (used in) operations	(370,841)	1,182,442
Interest received	3,472	1,400
Dividends received	420	570
Interest paid	(152,468)	(133,935)
Income tax paid (refund)	(268)	(102)
Net cash generated from (used in) operating activities	(519,685)	1,050,375
2.CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investments accounted for using the equity method	(19,426)	(800)
Proceeds from disposal of investments accounted for using equity method	-	3,800
Proceeds from capital reduction of investees accounted for using equity method	-	184
Acquisition of property, plant and equipment	(805,323)	(196,601)
Proceeds from disposal of property, plant and equipment	765	-
Decrease in refundable deposits	-	310
Increase in other financial assets	-	(6,075)
Decrease in other financial assets	3,394	-
Increase in other noncurrent assets	(11,244)	-
Net cash generated from (used in) investing activities	(831,834)	(199,182)
3.CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term loans	(280,799)	(768,705)
Increase in short-term notes and bills payable	-	260,000
Decrease in short-term notes and bills payable	(230,000)	-
Proceeds from long-term loans	1,990,000	2,400,000
Repayment of long-term loans	(60,000)	(2,587,500)
Net cash generated from (used in) financing activities	1,419,201	(696,205)
4.NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	67,682	154,988
5.CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	406,306	251,318
6.CASH AND CASH EQUIVALENTS AT THE END OF THE THE PERIOD	$473,988	$406,306

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

2. 2023 Audit Committee’s Auditor’s Annual Financial Statements

Report of the Auditing Committee

Yieh Hsing Enterprise Co., Ltd.

The board of directors has prepared the 2023 operating report, financial statement and the deficit offset, among which has been audited and signed off by Crowe Horwath (TW)CPAs. The operating report, financial statement and the deficit offset have been audited by the auditing committee and no abnormality found. Thus, the report has been released according to Article 14-4 and Article 219 of the Company Act. Herein kindly ask for approval.

To

The 2024 the Stockholder’s Meeting of Yieh Hsing .

Chairman of the Auditing Committee: Yang Der-Yuan

March 7, 2024

Attachment

YIEH HSING ENTERPRISE CO., LTD.
Comparison Table for the "Rules of Procedure for Shareholders Meetings"
Before and After Revision

AFTER THE REVISION	BEFORE THE REVISION
Article 2 The Company's shareholders meeting shall be convened by the Board of Directors, unless otherwise provided by law and regulation. Unless otherwise provided in Regulations Governing the Administration of Shareholder Services of Public Companies, a company that will convene a shareholders' meeting with video conferencing shall expressly provide for such meetings in its Articles of Incorporation and obtain a resolution of its board of directors. Furthermore, convening of a virtual-only shareholders' meeting shall require a resolution adopted by a majority vote at a meeting of the board of directors attended by at least two-thirds of the total number of directors. Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice. The Company shall have the cause of action and descriptive information for each motion, including the shareholders meeting notice, proxy, case for acknowledgement and discussion, election or dismissal of directors made into an electronic file and posted on the Market Observation Post System (MOPS) thirty days prior to the general shareholders meeting or fifteen days prior to the	Article 2 (Convening shareholder meeting and meeting notice) The Company's shareholders meeting shall be convened by the Board of Directors, unless otherwise provided by law and regulation. Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice. The Company shall have the cause of action and descriptive information for each motion, including the shareholders meeting notice, proxy, case for acknowledgement and discussion, election or dismissal of directors made into an electronic file and posted on the Market Observation Post System (MOPS) thirty days prior to the general shareholders meeting or fifteen days prior to the extraordinary shareholders meeting. It shall also have the shareholders meeting agenda handbook and supplemental information made into an electronic file and posted on the MOPS twenty-one days prior to the general shareholders meeting or fifteen days prior to the extraordinary shareholders meeting. If, however, this Corporation has the paid-in capital of NT$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign

	extraordinary shareholders meeting. It shall also have the shareholders meeting agenda handbook and supplemental information made into an electronic file and posted on the MOPS twenty-one days prior to the general shareholders meeting or fifteen days prior to the extraordinary shareholders meeting. If, however, this Corporation has the paid-in capital of NT$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. The shareholders meeting agenda handbook and supplemental information should be made available fifteen days prior to the shareholders meeting and available to shareholders at any time upon request and on display at the Company and the Shareholder Service Office. In addition, it should be distributed to the shareholders at the meeting. This Corporate shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting: 1.For physical shareholders meetings, to be distributed on-site at the meeting. 2.For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform. 3.For virtual-only shareholders	shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. The shareholders meeting agenda handbook and supplemental information should be made available fifteen days prior to the shareholders meeting and available to shareholders at any time upon request and on display at the Company and the Shareholder Service Office. In addition, it should be distributed to the shareholders at the meeting. This Corporate shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting: 1.For physical shareholders meetings, to be distributed on-site at the meeting. 2.For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform. 3.For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform. The meeting notice and announcement should be prepared with the reasons for convening the meeting stated. The meeting notice and announcement can be prepared in an electronic form with the consent of the counterparties. The election or dismissal of directors, change in the Articles of Incorporation, reduction of capital, application for the approval of

meetings, electronic files shall be shared on the virtual meeting platform. The meeting notice and announcement should be prepared with the reasons for convening the meeting stated. The meeting notice and announcement can be prepared in an electronic form with the consent of the counterparties. The election or dismissal of directors, change in the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the company's dissolution, merger, segmentation, or the matters stated in Article 185 Paragraph 1 of the Company Act, matters concerning Item 1 of Article 26 and Article 43 Item 6 of Securities and Exchange Act and Regulations Governing the Offering and Issuance of Securities by Securities Issuers Item 1 of Article 56 and Item 2 of Article 60, must be itemized and explain the main themes, not to be proposed via extempore motion. If convening the stockholders meeting has stated the re -election of directors with the date to take up the post, after the election is done then the date to take up the post cannot be changed with extempore motion or any other measures. Shareholders who have held more than 1% of the total outstanding shares may propose motions in writing to the Company's shareholders meeting. However, they are limited to one motion and the remaining proposed motions	ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the company's dissolution, merger, segmentation, or the matters stated in Article 185 Paragraph 1 of the Company Act, matters concerning Item 1 of Article 26 and Article 43 Item 6 of Securities and Exchange Act and Regulations Governing the Offering and Issuance of Securities by Securities Issuers Item 1 of Article 56 and Item 2 of Article 60, must be itemized and explain the main themes, not to be proposed via extempore motion. If convening the stockholders meeting has stated the re -election of directors with the date to take up the post, after the election is done then the date to take up the post cannot be changed with extempore motion or any other measures. Shareholders who have held more than 1% of the total outstanding shares may propose motions in writing to the Company's shareholders meeting. However, they are limited to one motion and the remaining proposed motions will not be included for discussion. The Board of Directors may not have the motions proposed by shareholders that are subject to Article 172.1 Paragraph 4 of the Company Law included for discussion. Stockholders may propose matters that may encourage the company to promote public benefits or social responsibility. Based on the procedural regulation of Item 1 of Article 172 of the Company Act, the number of such proposals is limited to one. The rest of them will not be discussed.

	will not be included for discussion. The Board of Directors may not have the motions proposed by shareholders that are subject to Article 172.1 Paragraph 4 of the Company Law included for discussion. Stockholders may propose matters that may encourage the company to promote public benefits or social responsibility. Based on the procedural regulation of Item 1 of Article 172 of the Company Act, the number of such proposals is limited to one. The rest of them will not be discussed. The Company is to have the accepting shareholder's proposal, in writing or by electronic means, the acceptance place, and acceptance time announced prior to the stock cut-off date before convening the shareholders meeting. In addition, the acceptance period shall not be less than ten days. The motion proposed by shareholders is limited to 300 words and the remaining text of the motions will not be included for discussion. The motion-proposing shareholders shall attend the general shareholders meeting in person or by proxy; also, shall get involved in the discussion of the motion. The Company shall have the motion proposing shareholders informed with the handling results prior to the shareholders meeting notice date. In addition, the motion complies with the requirements of this Article are listed in the meeting notice. The Board of Directors shall give reasons for the proposed motions that are not included for discussion in the shareholders meeting.		The Company is to have the accepting shareholder's proposal, in writing or by electronic means, the acceptance place, and acceptance time announced prior to the stock cut-off date before convening the shareholders meeting. In addition, the acceptance period shall not be less than ten days. The motion proposed by shareholders is limited to 300 words and the remaining text of the motions will not be included for discussion. The motion-proposing shareholders shall attend the general shareholders meeting in person or by proxy; also, shall get involved in the discussion of the motion. The Company shall have the motion proposing shareholders informed with the handling results prior to the shareholders meeting notice date. In addition, the motion complies with the requirements of this Article are listed in the meeting notice. The Board of Directors shall give reasons for the proposed motions that are not included for discussion in the shareholders meeting.
Article 5-1	To convene a virtual shareholders meeting, this Corporation shall include the follow particulars in the	Article 5-1	(Convening virtual shareholders meetings and particulars to be included in shareholders meeting

shareholders meeting notice: 1. How shareholders attend the virtual meeting and exercise their rights. 2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars: A. To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume. B. Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session. C. In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda	notice) To convene a virtual shareholders meeting, this Corporation shall include the follow particulars in the shareholders meeting notice: 1. How shareholders attend the virtual meeting and exercise their rights. 2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars: A. To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume. B. Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session. C. In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders

	of that shareholders meeting. D. Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out. 3.To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified. Except in the circumstances set out in Article 44-9, paragraph 6, it shall at least provide the shareholders with connection facilities and necessary assistance, and specify the period during which shareholders may apply to the company and other related matters requiring attention.		attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting. D. Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out. 3.To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.
Article 21	When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online. Except in the circumstances set out in Article 44-9, paragraph 6, it shall at least provide the shareholders with connection facilities and necessary assistance, and specify the period during which shareholders may apply to the company and other related matters requiring attention.	Article 21	(Handling of digital divide) When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.